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Wood, Timothy Ward

Momentous issues

Richmond, Va.

[pref. 1900]

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MOMENTOUS ISSUES

Proves That Free Coinage of Gold and
Silver Will Produce Solid
Continuous Prosperity.

(Not the present soon-over—easily scared prosperity.)

IT WILL MAINTAIN THE PRESENT PARITY OF
GOLD AND SILVER AND PREVENT OVER-
PRODUCTION BY VERY LARGELY
INCREASING CONSUMPTION.



Money Explained. Shows the Cause of Financial Panics,
Constitutional Graduated Income Taxes, Imperialism,
Trusts, The Baneful Republican Party.



BY T. W. WOOD.



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MOMENTOUS ISSUES.

INTRODUCTION.

In well-kept grounds, pruning and constant eradication has to take place or the beautiful will be marred by the rank growth of ill weeds. So it is politically. The Republican party, through long continuance in office (the Cleveland administration being more imperial and Republican than Democratic), has caused many corrupt persons to obtain such prominence that the good is greatly overbalanced and counteracted.

As momentous issues are pending, which will lead to the advancement or debasement of this nation and the world, I feel that a duty devolves upon me to aid others to eradicate the evils which have grown apace in the government of this country through the Republican party. To give this assistance, I have used scraps of time, taken from other business occupations, to prepare this book on Political Economy so as to place facts and propositions before my fellow-workers, which, I believe, if adopted, will lead to happier and contented conditions for the people, and result in continuous prosperity for this country and the world. Hence, the subjects considered in this book affect business men, capitalists, property owners, laboring men and women, and, not the least, wives and children. Therefore, these pages should have the careful consideration of all, so that enlightenment may lead to intelligent actions, resulting in the advancement of multitudes of this nation and the world.

T. W. WOOD.

Richmond, Va., August 1, 1900.

The publishers, believing that "Momentous Issues" will aid in effecting general good, ask your kind assistance in circulating this book. Money can be earned by numerous persons; boys and girls can sell it. The publishers will deliver 40 copies to any express office for \$5; or 100 for \$10. Single copies, 20 cents each, by mail. Address the WOOD PUBLISHING COMPANY, Richmond, Va.



The deputation asked: "Which is the best kind of money for use?"

The sage replied: "Money is only a medium of exchange. Gold, silver and paper are best, as they are universally used for general circulation. In the United States greenbacks, with subsidiary silver, are best, as the notes are legal tender and issued by a stable government, having \$65,000,000,000 of property at the back of them. In England gold and silver are best, as their \$25 notes are in too large denomination. In the East silver is the best, as wages are small, making the use of gold impossible, even if it could be had, and it was unfair to force these people to exchange their silver money at half price when buying American goods, which reduces their purchases and curtails our trade."

Money Considered Under Various Heads.

As I consider money to be of such great importance in raising up and improving the conditions of men and making prosperous occupations for them, I have put it first for our consideration.

WHAT IS MONEY AND ITS USE?—This is a question which it is proper to inquire into. We shall find that anything is, or will do for money, which is stamped by the government as a legal medium of exchange, and which people are willing to accept in exchange for their goods. Therefore, money, or the medium of exchange, the public must have confidence in, and faith to believe that they can exchange it again for any other goods which they may require. This, and this alone, is what constitutes money and its use. Money is of no value except as a medium of exchange. It cannot be eaten, it is of no use for clothing, it will not afford shelter, but it is useful to exchange for all these necessities of life and comfort. The material that money is made of is of no consequence; the important part of money is, can it be readily exchanged for any goods required? If so, it fulfills its mission.

INTRINSIC VALUE.

This is a term which is frequently employed by deceptive people to confound the unthinking. It is certain that neither gold nor silver has much intrinsic value. There is very little inherent or internal quality in either to warrant saying that they have intrinsic value. Their principal value is in the estimation which people have for them. If, however, Webster's definition in note under "value" is acceptable, which says: "Intrinsic value is the same as utility or adaptation to satisfy the desires or wants of men"; then I will agree that it is proper to use the term, as that admits any kind of money has intrinsic value which is utilized and adapted to use as an exchange for property of any description. This money, of course, includes notes, silver or gold. Under such a definition, it is wrong, misleading, and injurious to the interests of this country to put a greater value on gold to use as an exchange than upon silver or notes. Gold, I admit, has been an idol, worshipped more than a Hindoo god for many ages, and it has many passionate devotees in this country at the present time. If free coinage was taken from gold, it would fluctuate greatly in value according to supply and demand, the same as silver has done. Gold, silver, or paper dollars have the same intrinsic value when made up into dollars in the United States, which value they retain while they remain in the dollars. If the stamp on them is destroyed, then the material of which they are composed receives another value, just as the metal does if you disintegrate it, but if the silver or gold is remelted and re-

stamped, it becomes dollars again. The United States fiat or law has made them on a par, notwithstanding the material of which they are made, and can keep them at par wherever the government has authority. What, then, has the intrinsic value of the material of which they are composed got to do with their circulating value? What business men and the people desire is plenty of them in circulation, and then permanent prosperity will not wait to criticize the material of their construction.

GOLD A BASIS.—It is useless for objectors to say: "Yes, silver and notes make good money now, because they have a gold basis." I remind them that notes answered just as well for money to exchange for anything in this country during and after the civil war, when they had neither silver nor gold as a basis, but only the credit of the government; and greenbacks would have remained at par with gold, or very nearly so, if scheming capitalists had not controlled legislation to debase the government's credit for their own gain. It was a scandalous law which was passed, making the greenbacks good for everybody, but for the government to receive for import duties and interest, merely that gold dealers might make a demand for their gold and then corner that. The greenbacks in use now have engraved on their back: "This note is legal tender at its face value for all debts, public and private, except on imports and interest on the public debt." Would not the credit of the richest suffer, if he refused to receive the notes which he issued? Who would have Bank of England notes, if it declined to accept those notes which it had issued? Such was the case with the exceedingly rich United States Government, when it refused to receive the notes it had issued. As a matter of course its credit went down, and its notes and its bonds became depreciated. Some will say that the government needed gold to carry on the war. I reply, all the government required gold for was to pay for the goods which it bought from abroad, and that quantity could easily have been obtained from the sale of less than one-fourth of the bonds issued. The soldiers who fought the battles were paid with notes, and everything bought in this country was paid for with notes, and they created great prosperity. Bondholders, however, demanded coin for their interest; greenbacks were not good enough even for their interest.

GOLD IS UNSUITED ALONE TO RELY UPON AS A BASIS FOR MONEY.

The foundation of everything that is to be strong and lasting must be broad and firm. If the base is narrow, the edifice is liable to topple over or crush. Before the present great expansion of trade which has taken place, the quantity of metallic money upon which business was based, and for which property of all kinds was exchanged in the world, was about \$3,000,000,000; half of which was silver and half gold. Business is now enlarged and more money is necessary. All business men know, even those of moderate ability, that as business expands capital must be increased. A mer-

chant who has fifty thousand dollars in his business, and really needs more, if he takes half of the money away, instead of increasing it, will find that his business will suffer accordingly. So it is with the business of the world; but gold-standard men seem to be so blinded by prejudice that they are attempting to curtail money to half its volume by destroying the silver half, by taking its legal tender quality away as quickly as possible, which, if they could carry out and destroy the legal tender quality of silver, as it is done in England, except up to ten dollars, half the business of the world must cease, or products decline to half their value. These are well established facts, which are constantly proving themselves.

Gold, silver, and greenbacks, or notes, are well adapted to employ as money. Each has its own special fitness. Gold is well suited for reserve funds and necessary for foreign exchange. Therefore, it is well adapted for banks, but it is too scarce to rely on for current use, as it is held in such high esteem that people hide it away when any alarm is felt, and these periods are times when money is most needed. Silver is exceedingly useful, to enlarge the quantity of metallic money. It is valuable for small transactions, and in hot countries where insects abound, and it is absolutely necessary in countries where wages are small, and in unsettled countries. Notes are of great utility, and necessary to increase the volume of money, especially where the national credit is sound and expanding.

In our trade with Europe, gold is the recognized medium of exchange. If the merchants of the United States sell \$100,000,000 worth of goods, and buy \$80,000,000, the difference of \$20,000,000 is due to be paid in gold. This was always recognized by business men. When we were even on a paper basis, and did business with one another without any gold or silver in circulation, merchants who traded with Europe and other countries knew that coin had to be paid or received in exchange. It is recognized, then, that gold coin is necessary for this foreign business.

When silver has free coinage, it will remain on a par with gold, which is explained further on. This will facilitate business with South America, the Philippines, India, China, and various countries who use principally silver. When free coinage is established, merchants in other countries need not go and hunt up exchangers of money and give them a big premium, as gold or silver can be received or paid on balance, as gold is received and paid now. This would be a great aid to business people trading with silver using countries. But capitalists who trade in gold are going to oppose this, as their power and profits would be lessened. They would not then be able to corner the gold of the world, and make a world-wide gold-room, as is being done at the present time.

HISTORIC TEACHINGS.

Prior to 1848, there had been a dearth of money in the world, which is

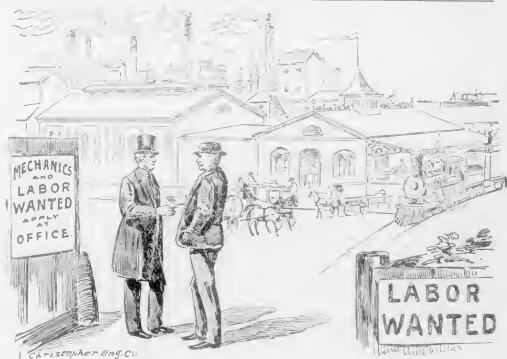
shown further on. This crippled business to such an extent, that much suffering and discontent existed both in the United States and throughout Europe, causing revolutions to prevail. In that year the California gold mines were discovered, and three years later those in Australia. These, combined, poured out such wealth that in about ten years the stock of gold in the world was doubled, which flood of yellow metal greatly alarmed Europe. M. Chevalier, one of the most noted of French economists, in his work on "The Probable Fall of Gold," wrote that the production of gold as compared



Alarmed gentlemen devising means to avert the great calamity and ruin which was coming on the world by the flood of gold from California and Australia after 1848.

to silver had increased fivefold since 1851. A veritable gold panic set in, and it seemed impossible for any nation except France, which was on a bimetallic basis, to stem the flood, and save commercial and financial values, which were expected to depreciate to such an extent that they would destroy individual credit. Very few persons dared to hope that the French bimetallic barrier could be sustained against the fluctuations in the value of the two metals, which barrier, if it gave way, might cause gold to fall in a succession

of plunges down to a level which would mean nothing but universal bankruptcy. Estimates were freely made that gold, from being worth 15½ to 1 of silver, would soon be worth 12 to 1, 10 to 1, or even 8 to 1. Prof. Francis A. Walker says: "In June, 1850, Holland demonetized the gold 10-florin piece and the gillaume. Portugal prohibited gold from having current value, with the exception of English sovereigns. Belgium demonetized its gold circulation; Russia prohibited the export of silver, the metal likely to become the



First Gentleman: "What is the cause of this great prosperity?"

Second Gentleman: "Undoubtedly the reason is the flood of gold which was so greatly dreaded as going to cause ruin. Increased money circulation always create good times."

very stay and staff of the national existence. Austria, which was then on a basis of inconvertible paper, thought that the cheapening of gold offered a favorable opportunity to come to a metallic basis, and called the German States to meet in a monetary conference at Vienna. The other States feared the depreciation of gold, and insisted on the single silver standard." Chevallier wrote: "Even in England some persons have put forth the advice that the standard should be altered, and that silver should be substituted for gold." Jas. McLaren, author of the "History of the Currency," put forth the proposal that life insurance companies should be established on a silver basis. American corporations (one of which was the Essex and Holyoke Water Power Co.)

sought to safeguard themselves by a similar arrangement, and in consequence, up to the present day, receive every month ounces of silver in payment.

As we have noted the apprehension and excitement, let us see what the results really were. Mr. William Newmarch, joint author with Mr. Thos. Locke, in their great work on the "History of Prices," written in 1853, said: "We are justified in describing the effects of the new gold as almost wholly beneficial. It has already elevated the condition of the working and poorer classes; it has quickened and extended trade, and exerted an influence which is thus far beneficial wherever it is felt." David Hume wrote: "It is certain that since the discovery of the mines in America, industry has increased in all the nations of Europe, and this may be justly ascribed, among other reasons, to the increase in gold and silver. Accordingly we find that in every kingdom in which money begins to flow in greater abundance than formerly, everything takes a new face; labor and industry gain new life, the merchant becomes more enterprising, the manufacturer more diligent and skilful, and even the farmer follows his plow with greater alacrity and attention."

Historians, as well as persons living now, all bear testimony to the fact that the increased amount of money caused general prosperity. Between 1850 and 1860 there was greater alarm and fear among governments and capitalists, that the large influx of gold would cause more trouble by upsetting prices and commercial enterprises, than any fear that exists now at the prospect of the free coinage of silver by the United States alone, which, when established, will cause great prosperity instead of adversity.

PROSPERITY IS CREATED BY PLenty OF MONEY IN CIRCULATION.

The history of the world teaches that in all periods when money was plentiful prosperity reigned. When it became scarce, adverse and distressing conditions prevailed. At the time of the Emperor Augustus, ancient Rome had \$1,690,000,000. This money created the famous lavish "Augustan Period," but when the money was reduced hundreds of years later to about \$160,000,000, or one-eleventh part, it resulted in the "Dark Ages." When Spain and Portugal found the New World, silver was largely imported, which made those countries and other European countries to emerge from the "Dark Ages" and to enjoy abundance. At the Waterloo period, when the Bank of England suspended specie payments and paper money was freely circulated, prosperity abounded, but after silver was demonetized in Britain in 1816, and paper money was called in, distressing times were inaugurated. After 1848, when gold began to be poured into Great Britain and other European nations from Australia and California, it exerted great beneficial results, creating prosperous times and contentment, which was contrary to nearly all predictions, they foreboding adverse results. During the civil war, large quantities of government paper money were circulated. This, notwithstanding its depreciation by capitalists, created much prosperity, but when this paper money

was largely lessened, great distress prevailed from 1873 for many years. "Experience is a dear school, but fools will learn in no other." Let us hope that the people will open their eyes, become wiser, and demand increased money circulation.

ESTABLISHING GOLD STANDARD HAS ALWAYS PROVED BANEFUL.

Every time the gold standard has been established panics and bad times have resulted. Gold mono-metallism seems to have the curse of God. Are our manufacturers and merchants so hoodwinked that they cannot see plain facts? After 1816, the year Great Britain established the gold standard, history records a long period of depression in business. In 1873 silver was stealthily demonetized in the United States, which the Republican party denied knowledge of, being ashamed of their own action, and the gold standard established, and that year witnessed one of the most serious panics that has taken place, resulting in hundreds of banks closing, and thousands of persons falling, causing stagnation in business and great suffering of the people, and let it be remembered, that the Republican party had been and continued in undisputed control of all departments of the government. There was little relief during the long period of years which ensued, until silver coinage commenced again. In 1893 capitalists, aided by Mr. Cleveland, made another attack upon silver purchases and coinage, and the next serious panic resulted, which lasted until war was declared against Spain, when increased quantities of money were put into circulation, through the great purchases of all sorts by the government, and by the coinage of silver dollars being resumed, and by large crops in this country, and short crops in other parts of the world. On December 18, 1899, the day the last gold standard bill was passed by the House of Representatives in Washington, a panic, which had been coming on for some time, seized the stock market in New York, resulting in stocks and bonds being thrown overboard without regard to prices. Money was so scarce that it was officially reported to be loaned at 125 per cent., but it rose still higher as 178 per cent. was paid, which caused the failure of several banks and firms. Five days later, Lyman J. Gage, Secretary of the Treasury, was in New York, and said: "Last Christmas everybody was happy, money was easier and freer, no conditions of distress appeared anywhere in sight; at the present time there is a very different Christmas feeling." Business which had the brightest outlook received such a shock that it immediately commenced to wane, and it has been going back ever since. Such are the coincident facts. Gold standard periods go hand in hand with hard times in this country, and do not create confidence, as has been so repeatedly promised by goldites.

WHAT IS GOLD BASIS?—It is best that we should have a correct understanding of what a gold basis means. It means that all money should be based upon gold, and valued by it; that other kinds of money are not lawful or legal tender in payment for goods, or in settling accounts, and they can be

legally refused. England comes nearer to a gold basis than any other country. Gold there is legal tender money. Silver is only legal tender for two pounds (\$10.00). Silver and copper are only intended as subsidiary coin in payment where gold coins would be too small. Bank of England notes are lawful money or legal tender because there is gold deposited in the Bank of England to exchange every note in circulation (except seventy-five millions owed by the government). In the United States silver money is legal tender for any amount, therefore it is on a bi-metallic basis. There is no other country on a gold basis, as there is not gold enough to supply the place that silver is filling. GERMANY is said to be on a gold basis, but is really on a bi-metallic basis, she having failed in establishing the gold basis. She has been unable to take from the \$117,000,000 worth of silver thalers their legal tender value, as per the law of 1876, and has this year increased the amount of silver money, and told capitalists that if money matters did not improve, Germany would have to be put on a silver basis; hence capitalists dare not and did not draw from Berlin the gold due them the last few months of 1899. Further, the Imperial Bank does not separate gold and silver in the weekly statements of the money it holds, but counts it together as its stock of coin. And during the month of June, 1900, a financial panic has taken place on account of the shortness of money.

INDIA.—London reported February 7, 1900, that the government of India, being convinced that more silver money was urgently needed, had quietly bought silver, and began on January 25, 1900, to coin a large quantity of new rupees. Though an attempt had been made to establish a gold standard, it had utterly failed. This will be further referred to later. Russia, between January 1, 1895, and January 1, 1898, increased her stock of silver by coinage from \$48,000,000 to \$128,400,000.

Deceiving gold-bugs tell us that prosperous Europe is on a gold basis, and yet the United States Director of the Mint reports that the following European countries are on a bi-metallic basis, as silver money is legal tender. France, whose credit is the highest, frequently refuses to pay gold and discounts notes, and pays silver whenever the bank decides, yet it has not gone to silver monometallism. Germany is as above stated; Belgium, Italy, Switzerland, Greece, Spain, Austria-Hungary, the Netherlands, Russia, and Turkey. Even London, the financial centre of the world, has great difficulty continuing on a gold basis. It is only three years since the directors of the Bank of England startled the financial world by proposing to change one-fifth of her gold reserve to silver. The directors afterwards explained in secret session to leading capitalists the efforts which they had made to gather in sufficient gold from the world as a reserve to keep their notes afloat, but they were still short, which caused their desire to fill part of the gold reserve with silver. These capitalists then agreed to aid them and loan gold to the bank, which they did, and have since done. This will explain why this country, instead of receiving five to six hundred millions of gold per year, as the result of the balance of trade in our

favor, it has been and is sending gold to London and Europe. When money in New York was so scarce in December last that borrowers had frequently to pay from 10 per cent. up to 125 per cent., gold was shipped in large quantities to the Bank of England, to sustain it; and now, all through the first half of the year 1900, many millions of gold has been exported to Europe, notwithstanding the small reserve funds in New York banks, and expected exceedingly short supplies of money to move the growing crops. As this book has been delayed in publishing, it gives me the opportunity to insert the report of the New York Stock Exchange on July 21st, which reads as follows: "As much mooted questions of how the large trade balance in our favor has been paid or met is partly explained by the appearance to-day of advertised offerings by New York and Chicago bond dealers and bankers of a varied list of foreign government securities, including German, Russian, Swiss, Dutch, Belgian, Swedish, and Canadian securities of many denominations." As capitalists have had great difficulty in supplying the European money centres with gold, we can to some extent judge how trade must have been greatly restricted in less favored parts of the globe, as the money they needed was drawn from them because of the necessities of London, Berlin, etc. Here are samples of the deficiency at points away from the favored money centres, and as a result of trying to establish the gold standard. In India stagnation and starvation exist. The President of the Calcutta Chamber of Commerce said: "Loanable capital is being driven from India, fresh capital repelled, and trade hampered by the uncertainty of the future; but also because the recurring periods of monetary stringency which we have recently experienced are gaining in intensity." The Indian Times declares that "India ought not to tolerate for a day longer than is absolutely necessary a currency system under which it is possible to have 12 per cent. money here, and yet impossible to attract capital from a country where the rate of interest is 3 per cent. and under." The Director of the United States Mint says: "The minimum discount rate at the Bank of Bombay was 13 per cent., and at Bengal and Madras 12 per cent., and these high rates have ruled for an exceedingly long time. It has occasionally been impossible to borrow on the very best security, even at these rates, in Bombay and Calcutta, and in the interior it could not be borrowed at any rate, no matter how extortionate." He says of Japan: "Money has been very tight, and trade bad. It was hoped that by adopting the gold standard an inflow of capital would be obtained."

GOLD VERSUS LIABILITIES OF THE UNITED STATES.

The stock of gold is so small in the banks of the United States, compared to liabilities due depositors, that if, through panic or any other cause, there is a run on the banks of the United States for gold, they could not pay depositors eight and a half cents on the dollar in gold, even if the amount which the banks hold was equally distributed. This is from the published statement of the Secretary of the Treasury, and excludes their other liabilities.

According to the published reports of banks on April 26, 1900, many large banks, with deposits amounting to from one to two millions, had only, in gold and silver combined, from one to three cents on the dollar to pay depositors, leaving out of the calculation their other liabilities. I shall show further on that it was only through reducing the money in banks to a small margin, that has caused all the panics that have taken place in this country; hence what folly it is to narrow money to gold, because if, through fear, panic or other cause, the masses of the people demand gold, the small margin held will be quickly exhausted, which will result in a total collapse of financial establishments, making chaos to reign.

While calmness exists no fear of alarm need be felt, but as no provision is made for a storm, it is sheer madness to allow capitalists and politicians to lead us to the brink of such a precipice, which may cause a fearful catastrophe at any time by making obligations payable in gold. It should be well understood that capitalists, when a panic is coming on—which they are often instrumental in causing—usually prepare money beforehand in deposit vaults, etc., to pick up valuable securities which others are compelled to sacrifice, this being the way millionaires have doubled their money. The last experience of this was only last December. Money was so scarce in New York that borrowers were glad to get money by paying from 125 to 187 per cent., which caused stocks and bonds to be thrown overboard at any price, and banks to fail, but when capitalists had picked up these bargains, the next day, December 19th, the clearing house banks offered \$10,000,000 at 6 per cent., and when this amount was exhausted they offered \$10,000,000 more at the same rate, which steadied the market. Why did they not offer some of this money a day earlier? The answer is, that if they had they could not have picked up the bargains.

GOLD—LOST, STRAYED OR STOLEN.—The Director of the Mint says: "What has become of all the gold produced in recent years?" In his report, dated December 4, 1899, he gives the stocks of gold held by European banks in 1897 and 1898, in which he shows there is a total decrease of \$190,025,073 for the year. Notwithstanding the gold production has amounted to \$287,000,000, yet the stock of gold is everywhere quickly decreasing. Australia, South Africa, and Canada lost \$14,957,015. To try and supply business that it be not too much crippled by the loss of gold, Germany, France, and Austro-Hungary increased the amount of uncovered paper by no less than \$78,000,000 during the year. If they lose much more gold they will find silver is more valuable for reserves than paper. Great efforts were made in the latter part of 1899, by the officials of the government, to ascertain the actual stock of gold in the United States. They have discovered that no less than one-third the quantity of gold supposed to be held in this country has disappeared; whereupon, Director Roberts, of the United States Mint, in January, 1900, sent out twenty thousand circulars to various concerns who use gold to try to ascertain where the \$300,000,000 of lost gold had gone. Enlarging business re-

quires increased money, which fanatics say is gold only, and this appears to be quickly decreasing, instead of being rapidly augmented to supply the large developing world's businesses. It should, of course, be understood that when business is stagnant money is plentiful enough to become cheap in the money centres of this country.

WANT OF CONFIDENCE.—Some people object to silver having free coinage, as they say it will create "want of confidence." This appears childish, because it is well known to thinking people that financial want of confidence is the belief that persons seeking credit are short of money, or engaged in unprofitable business. It is well understood in business circles that if even good principled people have a very limited quantity of money their credit must be curtailed, because circumstances which they cannot control may swamp them; hence, it is found to be wise to have a money basis for confidence, as well as good intentions. If these same people have plenty of money, or are in a prosperous condition, unlimited credit is given them. Shortness of money never yet created confidence. For this reason, lessening the quantity of money by eliminating silver is destroying confidence.

16 TO 1.—The Republican party is trying to deceive the public again by making a great ado about the ratio of 16 to 1. Do they forget that this is the legal ratio, and at this ratio this party passed a law two years ago to coin 1,500,000 silver dollars per month? The Republican party coined 18,254,719 silver dollars last year at this ratio of sixteen to one. If they are dishonest dollars, why does this hypocritical party go on coining these dollars? The Republican party has had all departments of the government in their hands, and could have altered it. If they were fair, they would never have raised this hue and cry, as they know that the ratio of between 15 and 16 to 1 is the same ratio which has existed ever since the United States has coined money, and it is the ratio which is likely to exist for the next hundred years. England, France, Germany, and all the countries of Europe, coin money at a ratio of about 15 to 1 from silver bullion, which they buy from America at about half the price, therefore their silver money must be dishonest also, if our silver dollars are. The United States is more liberal, and puts the ratio at 16 to 1.

STANDARD OF VALUE.—This is another subject upon which the goldites confuse many persons. They could not give a satisfactory definition of what they mean by standard of value, but they try to illustrate and confuse by saying a yard stick is 36 inches long, and you cannot have one 18 inches long. A dollar must be worth 100 cents, and not 50 cents. Now, every one who has common sense knows that a yard stick is 36 inches long, and a dollar represents 100 cents. The material that a yard stick or the material that a dollar is made of does not enter into the fact at all.

TEAPOTS, SPOONS, AND SILVER FROM EUROPE IS TO FLOOD THIS COUNTRY.—This is another gold-bug argument. They say that ladies who prize their old and new silver are going to send it to the United States to get

their valuables made into silver dollars, if free coinage is established. These goldites would have us believe that lady owners of these silver treasures are as greedy of dollars as themselves. But we will consider their arguments. Europe produces a very trifling amount of silver. The silver in their coins has been bought principally in America, and they have been coined by the various European governments at about 15 to 1. Now, are these governments going to withdraw their 15 to 1 silver and send it to this country to coin into dollars at the ratio of 16 to 1? They could not spare their silver coin if they desired. And is it reasonable to suppose that ladies are going to deny themselves of their silver treasures and send them here, and get them coined into silver dollars? If they did, they would have to spend the coined dollars, give them away, or distribute them in some way, and get other value for them. I consider it extremely desirable that they should send all their silver here, as the goods which they purchased in exchange for their dollars would make trade good. Plenty of money in circulation never made trade bad yet, and never will. A German recently said to me: "I am in favor of what you call 'rag money' (i. e., paper); I don't like gold money; it is too valuable; it does not circulate; people put it away too much, and if there is a scare, it immediately runs away to some hiding place. But silver or paper money, not being so valuable, is not hid away." He said: "When flour was \$10 per barrel, everybody had money to buy it, and we could sell everything we produced. Money was plentiful and prosperity was on every hand; but now there is over-production."

WRITING FROM A BUSINESS STANDPOINT.—Narrowing money to gold is childish, and cannot be defended from any sound business standpoint. It has been very injurious in its operation to business generally throughout the world. All parts are brought into such close business sympathy by electricity that if one part suffers it will affect others, and if one part prospers it will aid others to prosper. The only people who have been benefited by the gold standard is gold dealers, by lessening the quantity of money; but it is doubtful even in their case, as it is like killing the goose that lays the golden egg. It is certain, if they had not constantly disturbed business throughout the world by changing the monetary basis, prosperity would have been much greater and more universal amongst all classes; whereas through their meddlesome operations prosperity has been limited to a comparative few, which has caused a constant menace to those who have accumulated wealth.

Free Coinage of Silver

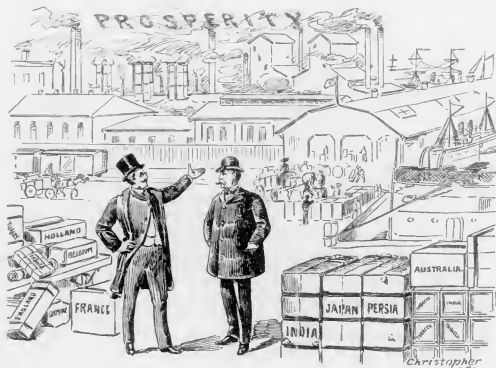
BY THE UNITED STATES WOULD KEEP SILVER MONEY ON A PARITY WITH GOLD, WOULD FORCE AT ONCE EUROPE TO ADOPT FREE COINAGE OF SILVER, AND WOULD PRODUCE CONTINUOUS PROSPERITY THROUGHOUT THIS COUNTRY AND THE WORLD.

From 1873 to 1898, the period when capitalists have been trying in their own interest to control money, so that they could control property, and have combined with European capitalists and used every means of stopping the coinage of silver, yet during these twenty-six years there has been coined by the various governments of the world, as far as can be ascertained by the Director of the Mint, \$4,664,891,321 in gold, and \$3,359,909,625 in silver. It is found absolutely necessary to yearly increase the amount of silver money, or the trade of the world would be completely stagnated.

During the years 1896 and 1897 and 1898, the nations of the world coined more silver than during any three previous years. This silver they had to buy principally in America, and they coined it at the rate of less than 16 to 1. Therefore, as the United States produces about one-third of the quantity of silver mined in the world, and North and South America combined produce eight-tenths of all the silver found on the globe, why have citizens of the United States objected to selling this silver at par, which other nations must have? Why have these biased, ignorant Americans desired other governments to get all this profit from an American product? If Americans sold this silver at the price other nations have charged, it would have added greatly to the prosperity of the people of the United States, as well as other American countries, and, as a natural sequence, if we helped Mexicans and other American nations to get a higher price for their American product of silver they would be inclined to trade with us, and would have a much more friendly feeling toward this country than exists now.

GOLD AND SILVER FOUND IN THE WORLD.—I cannot wait here to explain how the East was drained of its enormous stores of gold by Alexander the Great, and afterwards by the Roman armies. We must come down to more recent times. During the last four hundred years there has been produced in the world gold of the value of \$9,508,317,200, and during the same period 8,486,494,641 ounces of silver of the coinage value of \$10,972,431,400. A little more silver value than gold has been found. These have supplied

money, the arts, loss, etc. Now, as more than three-fourths of the people of the world use silver. Silver money is of necessity much scarcer amongst silver using people than gold is in England and the United States. Hence, this accounts partly for silver using countries being so poor; there has not been silver enough mined to give these teeming millions of people sufficient money for their needs. The principal gold mines are controlled by powerful western nations, likewise the silver mines, and the little money which



First Gentleman: "I cannot understand why free coinage of silver has not caused adversity."

Second Gentleman: "Free coinage of silver has caused agricultural products to advance, and has, in addition, doubled the purchasing power of the money of hundreds of millions of people. This has made them such good customers that the factories of the world cannot supply their wants."

Eastern and silver using countries have got, or are allowed to have, is so small that the great bulk of the people are driven to desperation. The United States Director of the Mint says that India and China, and some other silver using countries, have not two dollars per capita of circulation. This silver money was until recent years on a parity with gold, but the determination of the

Gold Standard League to limit money still more, so that they can control it, has forced silver down, and changed the value of their money. The money of silver using countries is only worth now half what it was a short time ago, as the foreign merchants will only receive their silver money by weight at the silver bullion price in London. By this process hundreds of millions of people have been swindled out of half of their earnings. In the United States and England silver money is received at its face value. It is counted when goods are sold, not weighed and treated as bullion, as is now done in the East.

Wages in Eastern countries are bound to be small, because, as I have explained, there is hardly any money in circulation to pay wages with, and then the pittance of wages which they do get is paid in silver, and when they go to the merchants who have goods for sale, made in the United States or Europe, the merchant allows them only half the price they formerly did for their silver money as compared with gold. So if they find work and are paid ten cents per day wages, it is reduced to five cents in purchasing capacity by these merchants. By this means the two dollars per capita in circulation for the whole population is reduced in purchasing power to one dollar per capita. Is it, then, to be wondered at that Anarchists exist, that insurrections take place, and that people are rebellious when such poverty and necessary suffering abound? Has not the greed of capitalists and militarism driven multitudes to desperation?

ALL NATIONS FORCED TO ADOPT FREE COINAGE, WHICH WILL CAUSE UNIVERSAL PROSPERITY.

When free coinage of silver is established in the United States our merchants will be able to go to merchants of India, China, South America, Philippine Islands, Cuba, and all silver using countries, and offer to sell goods on a basis of receiving silver at 16 to 1 as formerly. This will double the purchasing power of their silver, and, of course, will procure them all the orders instead of any going to England, France, Germany, etc., as it would obviate the necessity of merchants going to dealers in gold to get their silver exchanged at the exorbitant rate charged. Now, is it reasonable to suppose that the European merchants and manufacturers are going to let all their trade come to this country? Would they not rush to their respective governments and demand the establishment of free coinage of silver at once, so as to place them upon as good a footing as the United States manufacturers and merchants? This would force free coinage of silver and bi-metalism upon the world very quickly.

WHAT WOULD BE THE ADVANTAGE?—The two dollars per capita of circulation amongst these hundreds of millions of people, which has wrongly been reduced in purchasing power to one dollar, would be immediately advanced and made equal to English and United States silver. This enhanced money would buy for them double the quantity of goods, which would tax the factories of the world to supply. The necessities of most people are only limited by the amount of money which they have, and this doubling the pur-

chase power of their money would be spent. Their wages by this process would be doubled, which would aid in removing the menace to the wages of labor in this and other countries.

FREE COINAGE OF SILVER WOULD CAUSE SILVER DOLLARS TO REMAIN ON A PARITY WITH GOLD.—At the time the Sherman bill was passed in 1890 silver mines were in full blast, and it was calculated that they were turning out about 4,500,000 ounces more of silver than there was a ready market for; hence, to side-track free coinage, which the country demanded to enlarge the money supply, the Republican party, which was controlled by capitalists, agreed that the government should go into the silver business, and buy and coin 4,500,000 ounces per month. This made the Secretary of the Treasury the largest buyer, and he, working with capitalists, determined to depress the price, so, being a bear, he would not always buy unless he could get the price down. Free coinage would have kept it at par with gold, as it would have absorbed all, and would have cast upon silver mine owners the trouble of disbursing the silver dollars and keeping them at par. After the stoppage of silver purchases by this government the silver mines ceased to turn out silver to their full capacity, as several mines closed. Therefore, I am going to base my argument on increasing the yield of silver to the estimate of 1890. There is only a small quantity of silver bullion on the market now, hence the price has increased, because of the enlarged demand through the Chinese war. Now, provided the quantity increased to give a surplus of 4,500,000 ounces per month, which can only be done after a lapse of several months, this amount of increased dollars would not depress the price of silver dollars below a parity with gold dollars. The increased quantity of silver is not likely to enlarge our money supply \$50,000,000 per year, and this amount could be easily absorbed, and would produce only the good effect which the 18,000,000 of silver dollars do, which our mints are coining per year now. Before this increased amount can be produced both the mining and coining capacity will have to be greatly enlarged, and much more than this amount would be urgently needed at once to supply the deficiency, which is certain to be caused by scared capitalists locking up gold. Two things should be remembered. One, that silver ore has to be mined, and it is only got at in limited quantities after great trouble and expense; and the other is, that after the stamp of the government has been affixed, through free coinage, then the silver owners have to circulate the dollars, and if they offered any discount there would be plenty of persons ready to accept the limited quantity. But it is reasonable to presume that through the reserves of banks being drawn upon through the withdrawing of gold, that owners of silver would rather receive a premium from bankers and others to supply the void made by frightened gold, as banks must keep their reserve up or close their banks, and silver would do for this purpose. Of course the gold would come gradually out of its hiding places again when scared persons found that it was useless to keep it locked up, and that it would buy no more than silver.

At the National Bankers' Convention, held three years ago in Detroit, Mr. John P. Branch, President of the Merchants' National Bank of Richmond, Va., read a paper, in which he said: "The farmer demands currency to make and market his crops. The solvent farmer justly complains that the credit he obtains is often at an exorbitant rate, and he frequently cannot obtain it at any price." Here is an admission of the shortness of money in many parts of the country by a gold mono-metallist in a gold-bug meeting. Mr. Branch might have added that there are numerous persons engaged in various avocations who are entitled to credit, who, if they can obtain the loans at all, have to pay exorbitant rates. Here, then, are openings for the silver money of the mine owners; but these are small compared to the demand that would be created for silver by European nations being forced to free coinage, and the demand of silver using countries. I have previously shown that the banks of Bombay, Madras, Bengal, and Calcutta charge 12 and 13 per cent. on the very best security, and sometimes money cannot be obtained at any price, especially away from these cities. There are several other silver using countries which have good securities, who are willing to pay good interest for loans. When this country becomes willing to allow Cuba, Porto Rico, and the Philippines to form good, stable governments, then will innumerable developments and enterprises start, which will require all the silver money we can spare; but if our only aim is to grind out of them the little money which they now have, then will stagnation exist, and they will become a serious burden to us. There will be more openings in the world for silver and gold than it is possible for the mines of the world to supply, when free coinage is restored, and when other dependent nations of the world are treated with any kind of fairness. Then will the factories of the world be kept constantly busy, and no over-production of the farms, mines, or factories will exist. When money is in greater circulation and volume all people throughout the world will be well and profitably employed.

Lyman J. Gage, Secretary of the Treasury, is quoted as saying that in thirty years the population of this country has doubled, but the productiveness has increased 250 per cent. That our 76,000,000 people have a manufacturing power for 350,000,000 people, therefore there is over-production. Now, it must be remembered that increased production of factories is not confined to this country, but it is great in Europe. What, then, is to be the outcome? This Mr. Gage did not vouchsafe to answer, neither does the Republican party hold out any hope for every three mechanics out of four who are to be thrown out of work, except that we are to force goods out to other nations, without increasing their capacity to buy. These exported products of the factories will meet the products of other nations, and the competition will be severe, which will end in the glutting of all markets, when the remedy will be at an end. My solution is wiser and is as follows: The wants of the people of this country fifty years ago were very small compared to what they are to-day. Their style of living was very plain, because the amount of money in circulation was much less, but as money increased the needs of the people enlarged,

so that now multitudes require three times as many provisions and goods of all kinds as they did then, and some of them ten and twenty times as many goods. This has caused trade to be greatly improved. Now, apply this same principle to other parts of this country and the world. Let us adopt measures to increase the money supply amongst the poorer classes in all parts of this country; let it overflow to other parts of the world, and then will there be a demand for all the products of the farm and factory, and there will soon be a dearth of silver because of the greatly enlarged demand for it, and the great scarcity existing in the silver using countries of the East will cause such a demand that it can never be supplied.

I have a friend who has just returned from travelling through Russia. He states: "That the peasantry in that country cannot travel from village to village without a passport, which is rigidly enforced. Money is almost unknown amongst them. The few clothes they have on they never take off, even for washing, until they drop off; they have no others to put on. They are no longer serfs; many would be better off if they were, as they would then be of some value. Now they are treated just as though they were cattle, and are kept alive for the work that can be gotten out of them. They live in hovels, and are ignorant." This is not an overdrawn picture, as there are millions of persons in the same condition in other countries as well as Russia. When free coinage of silver raises up the price of agricultural products so that there is profit to the raiser, there will be competition for the labor of these people, who are living in this wretched condition; silver money will soon be required to pay them, and they in return will expend money for necessities, and if it results in their buying a second suit of clothes it alone would find work for hundreds of factories, and large quantities of silver money would be needed. It is estimated that if all the inhabitants of the globe had one new shirt a year it would require thirty million bales of cotton per year to supply them, or twice as much cotton as is now raised.

It is an old saying, "You cannot get blood out of a turnip." If through the restriction of money by the gold standard the quantity of money in circulation in the world is reduced and kept small, a restricted business must result. If the teeming millions of people in the East could have their less than \$2.00 of silver per capita increased to the modest sum of \$10.00 per capita the factories of the United States and the world would be kept busy supplying their wants, over-production and stagnation in business would not be heard of, and the dread of too much silver would vanish like steam, as their requirements, both of silver and goods, would be so great. When more money in circulation causes an increased demand and advance in the price of the products which these poor countries export, they will prosper, which will be a basis for their governments borrowing money to develop in all directions. Steam and electric railroads are wanted, bridges and numerous works are urgently needed to develop those countries, the building of which would circulate silver money amongst them, which in turn would be expended for manufactured goods, and as the development of the countries went on, labor

openings would be enlarged, causing relief where overcrowded, and enhancing the price of labor and commodities. Gold for circulation is comparatively useless to them; even if they could get it the pieces of gold would be so small to pay wages that spectacles would be required at present to see them. South American and other countries need vastly more money. All history proves that as the per capita of money in circulation increases in any country so do the wants of the people, which causes prosperity. Mexico a few years since had only \$3.00 per capita in circulation; now she has \$12.00 per capita, and as a result, Mexico has for the last nine years had continuous prosperity, the revenue has doubled, the exports increased 120 per cent., the capital of banks triplicated, and plotters against the government ceased, as all are well employed at good wages.

Paper Money.

Circulating notes have become necessary, because enlarged business demanded more money than silver and gold afforded. If money were now confined to the two metals, as it was two hundreds years ago, more than half the business would have to cease because of the curtailment.

In addition to furnishing increased capital, note currency is much handier and more desirable as a circulating medium than coin in countries which have a stable government. It is admitted that coin is necessary as an exchange medium between persons residing in different countries. Experience has proved many times that notes issued by stable governments are very decidedly the best, being non-creators of panic and loss. Circulating bank notes have ever been, both in this country and Europe, a serious menace to prosperity. England experienced this for about one hundred years, which induced Parliament in 1844 to stop any further issues of bank notes, except by the Bank of England. Up to 1844 the Bank of England notes in circulation rarely amounted to twenty million pounds (less than \$100,000,000), or sank below sixteen millions; hence Sir Robert Peel assumed that the government would be justified in allowing the Bank of England to issue notes to the extent of fourteen million pounds, which was afterwards increased to fifteen (\$75,000,000) without any coin basis, the security being furnished by the government, which had received loans in cash to nearly that amount from the bank. For all other notes issued by the Bank of England an equal amount of gold coin or bullion must be paid into its coffers, and held there until the notes are presented to draw the coin out.

I shall, under the heading, "The Cause of Financial Panic, Etc.," show that the note issue of banks in the United States was a most fruitful cause in creating distrust and panic. When the coin deposits were withdrawn the banks failed and caused widespread distress. Bankers, notwithstanding this, have ever since the commencement of the republic been schemers, desiring to do the government business of issuing circulating notes. Thomas

Jefferson, that eminent statesman, wrote in his day upon this subject as follows:

"Bank paper must be suppressed, and the circulating medium must be restored to the nation, to whom it belongs. It is the only fund on which we can rely for loans; it is the only resource which can never fail them, and it is an abundant one for every necessary purpose. Treasury bills, bottomed on taxes, bearing or not bearing interest, as may be found necessary, thrown into circulation, will take the place of so much gold or silver, which last, when crowded, will find an afflux into other countries, and thus keep the quantum of medium at its statutory level. Let the banks continue, if they please, but let them discount for cash alone or for treasury notes." It appears that the banks in the days of Thomas Jefferson were causing trouble as they have since.

In 1814 Thomas Jefferson, writing to President Adams, said: "I have ever opposed money of banks, not of those discounting for cash, but of those foisting their own paper in circulation, and thus banishing our cash. My zeal against those institutions was so warm and open at the establishment of the Bank of the United States that I was derided as a maniac by the tribe of bank mongers, who were seeking to filch from the public, thus swindling on barren gains. But the errors of that day cannot be recalled. The evils they have engendered are now upon us, and how are we to get out of them? Shall we build an altar to the old paper money of the Revolution, which ruined individuals, but saved the republic, and burn on that all the bank charters, present and future, and their notes with them? For these are to ruin both republic and individuals." Jefferson's prophecy looks as though it would prove correct if we do not at the coming election turn out the Republican party.

Jefferson further said: "This institution (national bank) is one of the most deadly hostility existing against the principles and form of our Constitution. * * * Ought we, then, to give further growth to an institution so powerful, so hostile? * * * Now, while we are strong, it is the greatest duty we owe to the safety of our Constitution to bring this powerful enemy to a perfect subordination. Under its authorities the first measure would be to reduce them to an equal footing with other banks, as to the favors of the government." If national banks are allowed to issue notes, why may not State banks, trust companies, insurance companies, and a host of other companies? Favoritism should not be shown; it is not constitutional.

Jefferson further wrote to John Taylor in 1816: "I sincerely believe that banking establishments are more dangerous than standing armies." If banking establishments will attend to their proper vocation and give up plotting to issue notes and control the money of the nation and the world, they would be excellent institutions, and plenty of business will be found for them.

President Jackson, in his message of December 2, 1834, said: "Events have satisfied my mind that the mischiefs and dangers which flow from a national bank far over-balance all its advantages. The bold effort the present bank has made to control the government, the distress it has wantonly produced, the violence it has occasioned in one of our cities famed for its observance of

law and order, are but premonitions of the fate which awaits the American people should they be deluded into a perpetuation of this institution or the establishment of another like it."

THE UNITED STATES OUGHT TO HAVE THE BEST CURRENCY IN THE WORLD.

This country needs the surest and most invulnerable currency in the world to sustain our immense industries at all times, and cause no anxiety or panic. Therefore, without doubt, this can best be supplied by gold, silver, and paper issued by the government of the United States. Government notes are the best, as there is no doubt about the greenbacks issued by the government, which has \$65,000,000,000 of property at the back of them. They have not to be examined as State or other bank notes would have to be to see if the bank is solvent, and no discount is required on them wherever presented. They are the best circulating notes that have been issued, and have saved the government more than \$500,000,000 in interest since the war. The national bank notes, which are not legal tender, are equally as good for circulation, for the only reason that the government guarantees them, and they have the government's promise to pay (bonds) at the back of them. If the government's guarantee was removed the national bank notes would immediately go to a discount, and business would be delayed, as every note would have to be scrutinized, its value ascertained, and often a discount charged for sending them to the bank of issue for the coin. Now, it is not cared whether the bank is solvent or not; the notes pass just the same, without discrimination. If, then, the government has to guarantee the notes to make them circulate freely in all parts of the country, why should it not issue them and save the interest for the people? In fairness, what right have the banks to issue circulating notes any more than other institutions? The issuing of notes by private banks or other private institutions has ever been a source of trouble, especially in squally times. Deceiving capitalists and their allies have tried to discredit and run down the greenbacks, but these same men are always anxious to get government bond issues, when they know that the basis upon which they both rest are alike the credit of the government. The only difference between them is, capitalists can get interest and plunder out of the bonds, but not out of the greenbacks. Loyal Americans are glad to get hold of the greenbacks, while disloyal, selfish people and foreigners are anxious for the bonds.

CIRCULATING NOTES ARE INVARIABLY GUARANTEED BY GOVERNMENTS.—It seems to be illogical for a government to say to people, "These legal tender notes you are compelled to accept in exchange for your produce or merchandise," if that government does not guarantee them to be good and re-exchangeable for other goods, which the holders may desire to buy.

THE BANK OF ENGLAND NOTES.—The Bank of England notes, which are as good as gold all over the world, are issued nominally by an independent bank, but the bank is in reality closely bound up with the government. Adam

Smith says: "She acts not only as an ordinary bank, but as a great engine of State." She is the financial agent of the government, and acts as the treasury of the United Kingdom. The bank was first established to loan its funds to the government, and it has now a standing issue of uncovered circulating notes of \$75,000,000 to cover advances made to the State many years ago, which I have previously referred to.

THE NOTES OF THE BANK OF FRANCE.—The Bank of France, which holds more gold and silver than any other bank in the world, is controlled by the State. The government appoints the governor and two deputy governors, who are removable at the will of the Minister of Finance. Can there be any doubt, then, about the government being responsible for its management and circulating notes? In regard to protecting its metallic resources, Chas. A. Conant says: "The policy was adopted and has been steadily adhered to, of redeeming in gold and silver, at the discretion of the bank, and charging a premium for gold. It is impossible to obtain gold from the bank in the quantity desired for exportation; it has to be taken from domestic circulation, and to prevent large quantities from being exported, its present practice is to discount paper in silver."

THE NOTE ISSUE OF THE IMPERIAL BANK OF GERMANY.—The Imperial Bank of Germany is controlled by the government. That it is a branch of the government is implied by the name. The Chancellor of the Empire is president. M. Octave Noel says: "In fact, the establishment is closely bound to the State, and it is only able to move, think or act when the State manifests in some manner its presence and affirms its control." Requests for coin in exchange for notes can only be demanded at the Imperial Bank in Berlin, and are refused at the branches when the funds on hand do not justify it.

THE RUSSIAN BANK.—This is an organ of State, and issued notes, which it was intended to redeem in silver. Its custom duties are collected in gold, of which it has accumulated a large stock, which is held principally in the Imperial vaults.

CONFEDERATE NOTES.—The notes issued by the Confederate government did good service. They became impaired like the paper of any nation, rich man, or wealthy company does, as they decline, and as their resources or basis of credit diminish, so do their paper obligations become less valuable or worthless.

THE ASSIGNATS.—Some people ask what about the "assignats?" As these paper notes were issued during the progress of the French Revolution, when the State was threatened with imminent bankruptcy, it is hardly fair to take cognizance of them, but I may say that the issuing of them brought immediate relief, and it is said that they saved the Revolution. They were based upon the security of the lands of the Church and of nobles, which had been appropriated.

NO SURPLUS REQUIRED TO BE KEPT IN THE TREASURY.—When a proper currency plan is in operation it will not be necessary to keep a

large surplus of either gold, silver or notes in the United States Treasury; all that will be required is that there be sufficient money on hand to pay the current expenses of the government as they are wanted, just as a merchant does. This will release a large sum of money, now idle, for use. We need not hoard for prospective military requirements, for it is certain that no nation will attack us unless we interfere with their interests, which we have no right to do. Let us mind our own business, develop our resources, which are so great, and not add to our difficulties by adding territory not united to this country.

WHOEVER ALTERS THE FACE VALUE OF AN OBLIGATION COMMITS A CRIME.

Through the manipulation of capitalists getting inserted on the back of greenbacks: "This note is legal tender at its face value for all debts, public and private, except duties on imports and interest on the public debt," the government refused to receive the notes which it issued. Hence, as its paper was in consequence depreciated, the bonds during the civil war sold as low as \$35.00 in coin for \$100 bond. The average price paid for all the bonds sold during the war was only 60 cents on the dollar. The government had to pay interest in coin on every \$100.00 bond, though it had only received \$60.00 for each. Further, these bonds were to be free from all taxation. The face of bonds were made repayable in notes or currency. A few years later these bondholders manipulated Congress again, and got them to alter the face of the bond, and made the bond payable in coin, which immediately made the bonds which were sold at the average price of \$60.00 worth \$100.00. This took from the tax-payers hundreds of millions of dollars, and gave it to the bondholders for nothing.

The Hon. Oliver P. Morton, of Indiana, a war governor, and a Republican of large influence in his party, said in the Senate: "We should do foul injustice to the government and the people of the United States after we sold these bonds on an average for not more than sixty cents on the dollar now to make a new contract for the benefit of the holders." The Hon. John Sherman said: "Certainly, it is not the desire of the Senate to authorize a creditor to compel a payment in coin when currency was the consideration, and thus add to the burden of the debt some 30 to 40 per cent." Yet, notwithstanding these and other protests, the Republican party did change the face of these bonds. They have now altered the bonds again, and made these non-taxable bonds payable in gold.

THE LATEST GREAT SWINDLE.

When the one hundred million dollars of bonds were sold, during President Cleveland's second administration, he and Mr. Carlisle entered into an arrangement with Mr. Belmont, representing N. Rothschild & Co., of Europe, and with Morgan & Co., of New York. They agreed that if Mr. Cleveland could induce Congress to change the word "coin," meaning gold or silver, and insert

"gold" in the bonds, as the metal they were to be paid in, then they said the bankers would reduce the interest from 4 per cent. to 3 per cent., which they estimated would save the people of the United States \$16,000,000 on this one transaction alone. The President urged Congress to do this, in a special message, which Congress, after deliberation, refused to do, and reaffirmed that the bonds and all obligations of the government were payable in gold or silver, at the option of the Secretary of the Treasury. At the last session



Justice: "A contract is sacred, and thou Republican party art guilty of a heinous crime in aiding the rich bondholders to rob the people out of hundreds of millions of dollars."

of Congress the Republican party passed the Gold Standard bill, which makes all our outstanding obligations payable in gold. Therefore, on one of Mr. Cleveland's bond issues alone \$16,000,000 are fraudulently to be collected from the people and paid to the bondholders. On the total of the bonds issued it will amount to hundreds of millions of dollars, which the public are swindled out of, and which amount is paid over to the bondholders for no

value received. If the bill had provided that in the future sale of bonds the word "gold" should be inserted, greater equity would have been done.

At the present writing the Secretary of the Treasury is paying out an amount estimated at \$35,000,000 to bondholders for exchanging bonds which have only a short time to run and ought to be paid off, for gold thirty-year bonds, which are to be used by banks to issue notes upon, which notes, to make them valuable and current everywhere, require to be guaranteed by the government.

Truly, these scandalous money transactions ought to make every honest American blush with shame, and ought to impel every voter to determine to drive from power forever such a dishonest party as the Republican party has proved itself to be. The noted historian, John Clark Ridpath, who cannot be charged with partisanship or self-interest, says on the subject: "The contract is sacred and must be fulfilled, else there is an end of the social compact. What, then, shall we say of the fraudulent and covert alteration of all contracts by changing the units in which such contracts are to be filled, substituting by national authority a new unit or counter, worth more than three times the unit or counter agreed upon and promised? Such a process is, as Lincoln declared it to be, a heinous crime against the people, a sin against mankind. For a long time the subtle work of extending and transforming the bond, and at the same time of raising the value of the dollar of payment, was so easily and noiselessly effected that the people did not awake to the realization of the thing done until it was done. The class in whose interest the various changes have been made have been able to coddle some, to hoodwink others, to corrupt many, and to terrorize a multitude. We have seen those who have been aroused to the pitch of denouncing and exposing the giant fraud of the century turn about and deny as repudiators, enemies of the national credit, and disturbers of the interests of the nation, the true friends of public honesty and good faith among men. At least two Secretaries of the Treasury have exhibited to mankind that species of tergiversation which in the administration of high office can hardly be distinguished from treason to the human race."

The Causes of Financial Panics.

A skillful general may devise plans of operation which would naturally lead to great success, but if the army which he commands is seized with panic, those plans may be all upset, and lead to disastrous results. Hence, to refuse to carry out a general's orders is considered insubordination, which refusal would lead to court martial, and might result in condemnation, disgrace, and death. Lord Cardigan, when he received orders to charge the Russians at Balaklava, replied to the officer who brought the order that it was impossible that such an order could be given, as the result would be so destructive of his men, but when he was assured that such were the orders, he gave the order to charge, and said, "Here goes the last of the Cardigans," he having no heir, and believing that he was sure to be killed.

The manufacturers or merchants may be skillful in devising the best method of conducting and enlarging their business. They may spend years in building up well-conducted enterprises requiring large capital, which is properly arranged for. If afterwards through financial panic they are deprived of the money which they are bound to have, all their plans are upset. The goods bought cannot be settled for at the time promised. The labor employed are unpaid when due. These result in embarrassment, bankruptcy, and ruin, because scare has caused disappointment in the money which they relied upon. When financial panics are widespread they often result in very disastrous results to a multitude of families for a long time, causing employment to cease upon which they are dependent for the means of living; hence it is of great importance to trace the cause of panics, so as to endeavor to prevent their recurrence. To arrive at proper conclusions, it will be necessary to look into history to find out the reasons of panics, and then apply the remedies.

THE FIRST GREAT PANIC.—Through some cause, coin in 1837 had been freely exported from the United States to Europe, which caused money to be very scarce in this country; hence, when Martin Van Buren was inaugurated President, serious financial embarrassment prevailed, which influenced him to call a special session of Congress to consider the matter and afford relief. By June nearly every bank in the country had suspended specie payments, which was caused by the coin being exported. Bank notes, as a consequence of their loss of coin, depreciated, and many became worthless. Matters grew from bad to worse, which resulted in a heavy falling off of revenue to the government, which occasioned its embarrassment. The government had prior to this paid off its indebtedness, and had deposited with banks \$40,000,000, which it could not now collect, and as it was unable to sell bonds or borrow money, it had to resort to an issue of Treasury notes to pay its expenses. Congress directed the Treasurer to issue \$10,000,000 in denominations of not less than \$50, to be receivable for all debts, and to be

cancelled on receipt back into the Treasury; hence they were soon all back and cancelled. This temporary relief was inadequate, as the notes were in too large denominations, and the people were in sore need of a constant, reliable circulating currency, such as greenbacks afford, which would have enabled them to extend their rapidly-growing industries.

Mr. Jesse Gilmore, in his excellent treatise on "Financial Panics: Cause and Remedy," says: "Congress was run then as now by the attorneys of banks, who refused to have issued only undesirable temporary Treasury notes. They insisted that the banks should issue the paper money for the people." The result was that as the Treasury notes were destroyed when paid back into the Treasury, the times grew from bad to worse, and the sufferings of the people increased; also, the revenues of the government continued to fall off. The next issue of \$10,000,000 of Treasury notes in 1838 had the same objectionable features, and did little to relieve the distress. In 1840 more Treasury notes were issued, redeemable in one year. Opposition continued to be waged against circulating Treasury notes by bankers who wanted to issue bank notes, and frustrate the issue of circulating notes by the government. Capitalists kept prominent the tariff as a political bone of contention, and with this they allured the people from financial matters, which was the real source of trouble. This tariff dispute has been kept prominent ever since, until Democratic leaders wisely subordinated it to the rear four years ago at the Chicago Convention.

When President Harrison and Vice-President Tyler were inaugurated, Congress was at once called in special session to consider urgent measures of relief for the impoverished people, but President Harrison dying a month later, his plans of relief were upset. President Tyler was sworn in, and recommended that an issue of non-interest-bearing Treasury notes should be issued, which Congress did not concur in, but passed a bill chartering a joint stock company, with \$50,000,000 capital, having authority to issue bank notes. This the President vetoed. Times grew harder. Bankruptcy became general. The Bank of the United States failed the same year, and became a complete wreck, as well as other large banks.

Senator Gallinger is quoted as saying: "Ruin came quickly and fearfully. There were few that could save themselves. Property of every description was parted with at prices that were astonishing, and as for currency, there was scarcely any at all. The money loss to the country was not less than \$1,000,000,000, to say nothing of the tremendous strain upon the moral sense of the country."

Henry Clay is quoted from a speech as saying: "In some parts of Pennsylvania the people were obliged to divide bank notes into halves, quarters, eighths, and so on, and were from necessity compelled to use them as money. In Ohio, with all her abundance, it was hard to get money to pay taxes. The sheriff of Muskingum county sold one four-horse wagon for \$5.50, ten hogs at 6½ cents each, two horses, said to be worth \$50 to \$75 each, for \$2; two

cows at \$1 each; a barrel of sugar for \$1.50, and so on. In Pike county, Mo., the sheriff sold three horses at \$1.50 each, one large ox at 12½ cents; five cows, two steers, and one calf, the lot for \$3.25; twenty sheep at 13½ cents each; twenty-four hogs, the lot for 25 cents, and so on."

The products of the farms rotted, being without markets. Workmen were idle, without the hope of employment. The National Treasury bankrupt, and the credit of the nation very low. State bonds depreciated and sold very low, Indiana's being worth 19 cents on the dollar, and Illinois' 16 cents on the dollar. It is reported that James W. Garrett, of Baltimore, bought largely of Indiana's bonds, and held until they were paid at par with interest. Johns Hopkins, another Baltimorean, borrowed money in Europe in 1842, and bought depreciated Maryland bonds, which he held until they reached par, and he likewise invested largely in Baltimore and Ohio stock, which at his death had risen to \$225 per share.

This first great panic lasted from 1837 to 1847. Some relief was afforded in 1843 by the importation of gold and silver to the amount of \$21,000,000, but this was inadequate, and in December President Tyler again asked Congress to order the issue of Treasury notes in denominations of \$5 and upwards, but Congress, being dominated by the paid attorneys of bankers, refused. President Tyler was bitterly opposed to bank notes, knowing the frequent and heavy losses which the people sustained in consequence of the bank failures, the heavy discount loss when taken from State to State, and the want of confidence which they created.

In 1845, James K. Polk was inaugurated President, and the times continuing distressingly severe, Congress directed the issue of \$10,000,000 in Treasury notes. In 1846 the war against Mexico was declared, which gave opportunity for thousands of idle people to join the army. In January, 1847, Congress ordered another issue of \$23,000,000 Treasury notes to pay the soldiers. This addition to the money circulation of the country relieved the distress. It revived banking interests, increased demand for, and raised the price of all products of the soil and factory, which caused labor to be employed at advancing wages. The soldiers, upon their returning from Mexico, brought with them large numbers of Mexican silver dollars, which aided in bringing on prosperity, which was again assisted soon after by the finding of placer gold in California. These increases of money in circulation caused the look of despair to be replaced by the smile of joy on the countenances of the people. It caused vagrants, who had been made villains by their necessities, to be good citizens, and it afforded any one wanting work to obtain it at good wages. Thus the first great panic was ended.

SECOND PANIC.—The enormous quantity of gold that was found in California from 1848 warranted the belief that the United States could never again be drained of its coin money, and that prosperity must continue to reign. From 1792 to 1848, a period of fifty-six years, there had been only \$25,000,000 in gold and silver produced in the United States. During the next eleven

years—1848 to 1858, inclusive—there was the vast quantity of \$555,000,000 found of gold alone. Truly, such an enormous quantity that it warranted the belief that capitalists could not again denude this country of its coin money, and fear need not be had of another panic caused by the contraction of its metallic money. Let us look at what history teaches:

In addition to gold, there was much foreign silver in circulation in the United States, especially Mexican. Silver coin was legal tender, and it, as well as gold, was held by banks as a reserve against outstanding notes. The Rothschilds, through their agent, Mr. August Belmont, in New York, and Mr. Isaac Nathan Hanan, at New Orleans, began quietly to collect and export silver to Europe, and thence to Asia, which made silver coin scarce. The United States mint had prior to 1853 coined \$76,734,964 in subsidiary silver, but through the action of the Rothschilds, it had become so scarce that it was difficult to obtain change. Hence, Congress, in order to retain small coins for the needs of the people, was forced to debase subsidiary silver and mix a greater amount of alloy.

Silver was then too good to retain in circulation for the benefit of the people, as gold is too good now for stable internal business enterprises of the United States, because gold is liable to hide away when most needed and cause great contraction, which is fatal to business stability, as it requires a reliable amount of money for use. During seven years, \$93,313,498 in silver was exported from this country. Gold likewise was gathered and concentrated in New York for export. From 1848 to 1857 \$267,968,454 net in gold and silver was exported, which enormous amount of metallic money withdrawn from the banks caused alarm, as it was the basis of their note circulation and deposits. This coin contraction resulted in many banks and firms suspending. The enlarged business enterprises which had expanded required much money to run them, and as the supply contracted they became crippled, confidence weakened, and the revenues of the government fell off. Consequently, in 1857, the government resorted to an issue of Treasury notes for \$20,000,000, redeemable in one year. Finally, the strain of contraction became so great that a general break had to come.

The people were first seriously startled by the failure of the Ohio Life Insurance Company, of Cincinnati, then considered one of the strongest and most reliable institutions of the country. The New York branch went to protest August, 1857, which was followed by the failure of about three-fifths of all the banks throughout the country, and the remainder were in a weak condition, which caused bank notes to be mostly worthless and money exceedingly scarce, resulting in untold misery and general bankruptcy. Thus in the short space of ten years, with the mines of California and Australia pouring out vastly larger quantities of gold than at any previous period of the world's history, the United States presented the melancholy spectacle of a great and progressive nation, with larger resources than any other country in the world, suffering from a disastrous financial panic, caused by the contrac-

tion of its money. This panic did not end until relief came through an enlargement of circulating money, caused by the civil war, in 1861. If the government had issued Treasury notes (greenbacks) in small denominations for the use of the people, when the coin was being exported, and when they were received back into the Treasury for taxes issued them again, this panic would have been averted, as the people have confidence in their government's paper, but confidence in bank notes was lost when coin was exported, as that was the basis upon which they rested.

THIRD PANIC.—During the civil war immense sums of money were disbursed. Demand notes were first issued by the government, which were receivable for all debts due to the government. These notes remained at par with gold, but, not creating a demand for gold, they caused capitalists to interest themselves to see that the greenbacks, which were being issued, should not be received for import dues. This disgraceful law acted like a charm for the capitalists, and established for them the "gold room." But it was against the interests of the public, because as this great government went back on its own paper, it became depreciated, as any solvent firm or rich man's paper would if he himself discredited it by refusing to receive it for amounts due him. Yet, notwithstanding that outrageous law, the people gladly received the greenbacks for the amounts due them, and they caused great prosperity.

On October 31, 1865, the report of the Secretary of the Treasury, as published in Appleton's Gazette, showed the money of the country was \$1,782,254,939—say \$50 per capita for the people of the entire country. A large amount of it was "legal tender," which bore interest and was held as reserves by banks, etc. This bounteous supply of money acted like a charm and caused business to be done more largely for cash. The results were that, according to Bradstreet's, there was an average of only 561 failures per year for 1864, 1865, 1866. The large sums of paper money in circulation enabled business men and manufacturers to enlarge the vast internal trade of the country, which caused great prosperity to all classes, especially at the North, and as the prosperous period lasted several years after the close of the war, it enabled the South to recuperate to a great extent from its deplorable condition. This flourishing condition lasted until money was again seriously contracted. The money power of this country and Europe, in their greed of gain, would not let well enough alone. They hoodwinked the people and insisted that all the paper money of the United States was a debt, and should be funded into long-dated interest-bearing bonds, as though they escaped from being a debt when they became bonds. The funding scheme was, however, carried out, resulting in a gain of hundreds of millions of dollars to capitalists, and a greater loss to the people. This funding scheme and syndicate business was a wonderful piece of financial jobbery in the interest of the money power of this country and Europe. These sharpers were for some time able to buy \$2.85 worth of greenbacks with \$1 in gold, then have large amounts of them funded

into 5 per cent. bonds, and thus received about 17 per cent. interest on the gold dollars invested. They could then secure a national bank charter and hypothecate their bonds with the government and receive 90 per cent. in national bank notes, which they loaned to the people at 7 to 10 per cent. interest, giving them fully 25 per cent. interest on their original investment. This was one of the worst money-making arrangements ever perpetrated on a free people. The public were as badly blinded then as many business men are blinded to-day. For several years after the war, the government paid off its debts rapidly, which should have created confidence, and it would have done so if other influences had not been at work; but as they were, gold and silver were exported in immense quantities to bring about the results desired by capitalists.

The report of the mint for 1895 says there was from July 1, 1862, to July 1, 1873, \$695,397,224 net in gold and silver sent abroad, which was during a period when paper currency was used. This was not all, for in 1865, as we have shown, \$50 per capita was in circulation, which was reduced by 1873 to \$18.04 per capita, or a loss of about \$800,000,000 in circulating money, and to add to the trouble, silver was demonetized the same year (1873), and the coinage of it stopped in the interest of capitalists. Could it be expected by any rational persons but that such a contraction of money would have any other result than disaster to the general public? Many capitalists were prepared for this great panic, as several of them much more than doubled their capital by buying gilt-edged securities at extremely low prices with money brought out from its hiding places. Manufacturers and business enterprises were crippled and financially strained by having such large sums of money withdrawn from the channels of commerce, so when Jay Cook's heavy bank failure took place, in 1873, nearly all banks were compelled to suspend payments to depositors. Fortunately, banks were on a greenback instead of a specie basis, as this lessened their liability and saved the country from a more frightful panic, and enabled many banks in a few weeks to resume, which they could not have done if bank notes had been required to be redeemed in coin. The panic, however, was very severe, causing remarkable declines in value of all kinds of goods and property, which continued to grow worse for several years. Bradstreet reported the failures to be on an average of 8,000 per year for 1873 to 1878, against 561, as shown when money was plentiful in 1864-'65-'66. Money remained very scarce, resulting in millions of willing workers being unemployed, wages to be low, and great suffering to continue amongst very many families.

The bankers at that time told the people there was plenty of money in circulation, as we are told now. Yet property declined to such an extent that in several large cities a good deal was sold at one-tenth of its former value. This condition of affairs did not cease until the volume of money began to be enlarged by the coinage of silver dollars under the Bland-Allison act, which was passed in 1878. By this act not less than 2,000,000 nor more than 4,000,000

silver dollars per month were coined, which were represented by the government issuing silver certificates for circulation. In 1890 the quantity of the silver purchases was increased to 4,500,000 ounces per month. In addition to this increase of circulating money, there was \$187,000,000 net in gold imported from 1878 to 1885. This enlarged amount of money caused real estate to advance, the various industries of the people and factories to be fully employed, resulting in no over-production until contraction of money began again.

FOURTH PANIC.—The increase in the amount of money in circulation through the silver certificates troubled capitalists, and they began to fear that they should lose the control of money, so they determined to wage war. Contraction was proceeded with, and an attack was made upon the Sherman silver notes. The banks had been paying nearly all their import duties to the government in gold, but in August, 1890, the first Sherman notes were issued by the government, and the same month banks gathered up \$454,541 and paid them into the custom-house for duties. By the end of the next month \$1,734,404 had been paid into the custom-house. Gold payments for duties declined monthly, and Sherman notes increased to 35 per cent.

From 1890 to 1895, during Harrison's presidency, \$163,912,076 in gold was exported. National bank notes had been in process of contraction by banks prior to this, and from the time President Cleveland was first inaugurated, in 1885, to 1892, \$160,474,269 in national bank notes were withdrawn from circulation and destroyed. Thus the life blood of trade was being withdrawn, which was causing embarrassment and a heavy decrease in the value of products. In March, 1893, President Cleveland was inaugurated for a second time, and he again immediately lent his powerful assistance to capitalists in their attack on silver money, under the false plea that the paltry purchases of about \$50,000,000 of silver bullion per annum, for which silver certificates were issued, were creating distrust in Europe, causing our securities to be sent home. While six years later, during which interim losses of hundreds of millions of dollars had been sustained, we spent \$2,000,000 per day through the war with Spain, or fourteen times the amount, and still the people had confidence to subscribe for \$200,000,000 of war bonds several times over, without asking Europe to furnish a dollar. To speak of the matter correctly, I unhesitatingly say that the plea that the purchases of silver were causing distrust in Europe was a fabrication without any truth, and it was unquestionably the result of a capitalist conspiracy. It was no business of foreigners what currency we were using amongst ourselves, and but for the agitation of the conspirators they would not have cared.

The stocks and bonds sold to this country by Europe in 1893 did not nearly equal at any given period the 460,000 net shares of stock sold by Europe during the first two weeks of the American-Spanish war. and notwithstanding this large number of stocks and bonds sent back to this country, prices averaged 12 per cent. advance during the first four weeks of the war. This clearly

proves that if our capitalists had desired they could have taken in 1893 all the stocks and bonds which Europe wished to sell, and if even prices of securities had declined it would only have hurt the rich, and not the people generally of this country. There was no cause for adverse results on general business, and there would have been none, if the great attack had not been made upon silver.

Banks and business men throughout the money contraction, which had been going on, were in a weakened condition in 1893, when capitalists, aided by President Cleveland and assisted by the powerful influence of newspapers and periodicals, created the great distrust, which resulted in a general alarm and further sudden contraction, causing fully \$500,000,000 to be withdrawn from the banks by capitalists and depositors, which occasioned the closing of nearly 600 banks, likewise the failure of thousands of manufacturers and business men, and the suffering of millions of persons in consequence of being unemployed. This panic would have been much more severe if bank notes had not been backed by the government credit, or if we had been on a gold basis.

Capitalists were not satisfied with these dire calamities brought on the nation, but continued their cruel work of determining to control money in circulation, to increase distrust, and to be able to bring on a panic when they so desire. These may seem harsh words, but candid people must admit that great capitalists of this nation could never honestly have saved scores of millions of dollars each in the short space of half a lifetime if they had not been aided by panics, even if they did have the pull on the government.

After capitalists had accomplished the stoppage of the purchase of silver in 1893, banks stopped paying Sherman notes into the custom-house, and a great attack upon greenbacks was made. They tried to detract from these, the best notes ever issued by any nation, by saying they caused lack of confidence. They insisted that the notes were the cause of the continued shipments of gold to Europe. I have already stated that both bonds and greenbacks have only the credit of the nation at the back of them, so if one creates distrust, why does not the other? The attack on greenbacks began simultaneously, they being paid into the custom-house for duties, and presented to the Treasury for gold. This gold, it was said, was going to Europe, because of Europe's lack of confidence. In February, 1894, the month of the first bond issue, 20.5 per cent. in greenbacks was paid into the custom-house for duties. In November, the month of the second bond issue, 55 per cent. in greenbacks was paid. In February, 1895, the month of the syndicate loan, 63.1 per cent. was paid in, and in September of the same year, 78.1 per cent. in greenbacks was paid in for custom duties. We will now glance at the withdrawals of gold from the United States Treasury by means of presenting greenbacks. In February, 1894, the month of the first bond issue, \$19,193,354 in gold was withdrawn from the government vaults; of this only \$1,068,335 was exported. The other \$18,000,000 went into capitalists' vaults. In November, the month of

the second issue of bonds, they drew out of the Treasury through presenting greenbacks, \$7,789,740 in gold, all of which was kept in the country, and \$1,507,338 was imported in addition. The success of the bond issues only whetted their appetites, and in the next two months they drew out of the Treasury \$77,024,959 in gold by presenting greenbacks to exchange. This gold they had just paid for bonds. Of this \$34,122,928 was sent to Europe, and they kept \$43,000,000 in their vaults. Is there not in the above proof of conspiracy and disloyalty to business people, and to the government by causing distrust and destroying confidence?

Sometimes capitalists become so disgraceful that their best friends have to protest, hence we find that so staunch a supporter of theirs as the *Journal of Commerce and Commercial Bulletin*, of New York, said editorially in July, 1896: "The threatened panic of week before last, when values melted away by millions, was not due to the condition of the Treasury, as many had supposed, nor to the work of professional bears, but to the conspiracy of a few men of the highest reputation and unlimited wealth, who purposely brought on the panic to buy stocks. They were speculative millionaires, their coadjutors and friends, stock dealers of the highest grade of potency, and expert manipulators of the market; men controlling large corporations and with wide influential bank connections were in the forefront of the assault. Their united wealth and control of capital amounted to hundreds of millions. The attack appears to have been a virtual conspiracy. The plans of operation bore evidence of a joint understanding and a common purpose. How far it was intended to carry the mischief may be inferred. The attack was pushed to the verge of desolating panic, and was prevented from going to further lengths by the intervention of the banks with special arrangements to shield the Treasury." The above would not have been written if proof of rascality had not been ready. If the syndicate of bankers had not been under obligation through the "special arrangements," for which they received many millions of dollars from the government, they would probably have aided in the attack, and then another desolating panic would have prevailed, which would likely have brought us to the same conditions which prevailed from 1837 to 1847; as it is, we are, as it were, financially on the verge of a precipice, ready at any moment to go over, or sitting upon dynamite, which is ready to explode when it suits capitalists, who will under some pretext start a panic, when the millionaires will then gather the fruit of the labors of others into their own keeping. Such being the condition of affairs, which is as plain as history and statistics can make them, are not all supporters of capitalists' gold standard schemes condemnable and worthy of censure?

Constitutional Graduated Income Taxes.

I boldly assert that scores of millions of dollars owned by and in the control of individuals is against the interests of the people of this country, as well as the individuals themselves, as I show later. Only a small portion of this immense wealth can be enjoyed by the owners. The possession is a burden, and is usually the cause of greed, and of ungenteel and unchristian acts. It is a temptation to use the power which it gives in scheming against and oppressing others. This is often yielded to and causes widespread trouble. The spending of a small portion of these excessively large incomes frequently leads families into vicious habits of living, corrupting their principles and conduct, instead of elevating them to active sympathy with their neighbors' distresses, and it unfits their sons for the development of robust manliness.

All ages testify to the fact that very rich people have generally been oppressors, instances of which I have stated. Great riches seem to breed narrowness of heart and the "love of money, which is the root of all evil." Man has not been ennobled thereby, but usually made tyrannical. Some have asserted that man has a right to control as much money as he can get possession of. I reply that God's commands and civilization have always considered it right to pass laws to restrain the liberty of people from doing that which is an injury to society, and as an immense capital in the hands of individuals has been proved to be an injury to nations as well as to themselves, it is necessary to interpose some restriction so that the amount which individuals own may be kept within reasonable bounds. It is further desirable that a healthy sentiment in regard to the proper use of riches should be fostered, so that the wealth loaned them by God may be used to benefit themselves, and in the elevation of mankind.

During the civil war an income tax was imposed, and when it was decided afterwards to reduce taxation, the rich were the first considered. During the discussion of the repeal of the income tax, Senator Sherman, of Ohio, protested in the following language in the Senate: "I hope that after full discussion nobody will vote for striking out the income tax. It seems to me to be one of the plainest propositions in the world. Put before the people of the United States the question whether the property of this country cannot stand a tax of \$20,000,000, when the consumption of the people stands a tax of \$300,000,000, and I think they will quickly answer it. The property-holders of the country came here and demanded the repeal of the only tax that bears upon their property, when we have to tax everything, the food of the poor, the clothing of the poor, and all classes of our people \$300,000,000."

It suggests itself to me that the most effective and just laws that could be passed in the interest of curtailing vast capital in the hands of individuals

would be progressive income and inheritance taxes. These will not interfere with man's free activity in developing that which he desires, but the law will say to him that his wealth enables him to support good government liberally without his being inconvenienced in the least, or deprived of any luxury, or the gratification of any reasonable wish, and in consequence of his liberality some poor families, who are heavily oppressed, will have their burden of taxation lightened.

The present system of taxation is not satisfactory. It screens the rich as much as possible, and makes business people, farmers, and the poor, who are the great majority of the people, pay the bulk of taxation. The immense issues of national bonds, of State, of most city, and some railway bonds are exempted from taxation—why, in fairness, I cannot comprehend. If they should go untaxed, why should not the rich men's property in cities go untaxed? Bondholders are well able and ought to be willing to pay their fair share of sustaining the blessings of civilizations, and not impose the cost upon others who are not so well able to pay. Hence, as it is found that men generally will not do right, it is proper and reasonable that a stringent graduated income tax should be levied by the government on the incomes of individuals and corporations. It may be said that income taxes are unconstitutional. From the foundation of this nation up to five years ago, the Supreme Court decided they were constitutional. The people's representatives in Congress passed a law, the President approved it, the Supreme Court declared it constitutional, but when it came up again in the same court a few days later, one unstable judge changed his mind for probably a valuable reason, and this one man thwarted the wishes of the people expressed through their representatives.

AN EQUITABLE ADJUSTMENT.—To arrive at a proper adjustment, I suggest that a law be passed embracing the following propositions: All persons, companies or corporations should be exempted from paying an income tax on the first two thousand dollars of their annual income; on all amounts of income beyond \$2,000 up to \$10,000 they should pay a tax of 1 per cent.; all additional incomes beyond \$10,000 up to \$50,000 annually should pay an income tax of 2 per cent. All income taxes should be collected by the United States Government, but the amount received under the above two heads should be returned to the States where collected, and be in lieu of any other income tax imposed by such State or city. All the following amounts collected should go into the Treasury of the United States Government: Incomes in excess of \$50,000 up to \$250,000 per annum should pay a tax of 3 per cent. on the excess; all excess of incomes above \$250,000 up to \$500,000 should pay a tax of 4 per cent.; all excess incomes beyond \$500,000 up to \$1,000,000 should pay 5 per cent.; all annual incomes in excess of \$1,000,000 up to \$2,000,000 should pay 6 per cent.; all annual incomes in excess of \$2,000,000 up to \$5,000,000 should pay 8 per cent.; all annual incomes in excess of \$5,000,000 should pay 10 per cent. per annum on the excess.

INHERITANCE TAXES.—These should be graduated and collected by the government in the same way as suggested for the income tax. The graduated inheritance tax collected in England is increased to as much as 18 per cent. In this country I suggest that personal or real estate bequeathed or left amounting to \$20,000 should be exempt from paying any inheritance tax, but property left or bequeathed amounting to more than \$20,000 up to \$100,000 should pay a tax of 1 per cent. on the excess over \$20,000. Personal or real estate left or bequeathed in excess of \$100,000 up to \$250,000 should have an inheritance tax of 2 per cent. levied upon the excess. These should be collected by the United States Government, and be returned to the city or State from which they were collected, to be in lieu of any other inheritance tax being imposed by the city or State. All collected beyond the above two should go into the Treasury of the United States. Personal and real estate bequeathed or left in excess of the amount of \$250,000 up to \$500,000 should have a tax of 3 per cent. levied upon the excess; estates ranging from \$500,000 to \$1,000,000 should be charged 4 per cent. on the excess; estates bequeathed or left in excess of \$1,000,000 should pay 5 per cent.; estates left to the value of \$2,500,000 up to \$10,000,000 should pay 8 per cent. on the excess; estates left amounting to \$10,000,000 up to \$20,000,000 should be charged 10 per cent. on the excess; and all estates left which exceed the value of \$20,000,000 and over should pay 15 per cent. on the excess. Those who receive the property in these larger estates would feel the tax far less in proportion than the smaller estates. These taxes would to some extent check large combinations and trusts, and relieve the congestion on money in a few hands, besides repay in a small degree some of the money obtained out of the people by the unjust laws which have favored the accumulation of such vast sums in so short a time. The above suggested graduated income and inheritance taxes are constitutional, as it treats all classes alike. All are exempt to the same extent, and all pay alike on the excess. The taxes are more equitable than simple income and inheritance taxes. These proposed taxes, which would in a great measure curb the trusts and combines, would allow weaker persons or firms some profits because of the excess income tax paid by those having large incomes, and would have a tendency of lessening the greed of excessively rich men.

Some persons object to income taxes, as they say they are inquisitorial. These persons should remember that nearly all taxes are inquisitorial. Merchants who import goods are required to have their invoices produced and sworn to, to show the cost of the goods, and if the government officials have reason to believe that the goods are undervalued, they are reappraised and excess is charged. Further, if fraud is detected, it is punished. The tourists upon their return to this country give a list of the presents or goods purchased abroad, and swear to it. Their trunks and effects are afterwards examined, and their persons searched, if it is suspected that they have concealed any valuables on their persons, and punishment is inflicted up to the extent

of forfeiture and sometimes imprisonment. Are not these inquisitorial taxes? And can incomes and legacies examined into be more inquisitorial?

ENFORCE THE PAYMENT.—When these graduated inheritance and income taxes become legal, they should be enforced to the extent of having sworn inspectors, similar to those appointed to examine national banks. These persons should look into incomes and estates, and when persons or corporations are found to have made fraudulent returns, with the intention of avoiding their fair share of taxation, double the amount of tax should be imposed and collected; otherwise the tax will be evaded to a great extent, as is the case now in similar instances, as many persons see no harm in avoiding paying taxes, as the following proves: The editor of the Review of Reviews, in September, 1897, said editorially: "Not many of the rich men living in or near New York have been accustomed to pay any personal taxes at all, while of those whose names are on the tax list very few have been put down for anything more than a nominal sum representing a trifling fraction of their actual holdings of personal estate. The past month has witnessed a rather remarkable agitation on the subject of assessments in Westchester county, which lies just north of New York city, extending from the Hudson river to Long Island Sound, and which included among its residents or property-owners a much larger number of people of great reputed wealth than any other suburban district in the United States. Under the admonitions of one of the State Judges, the Westchester county assessors attempted for the first time in many years to assess real estate at its true value. The sum total of the realty assessments for 1897 at once mounted up to three or four times as much as for 1896, the proportionate difference being still greater for some of the largest estates. Furthermore, the assessors concluded to try the plan of finding some personal property to levy against. Thus some neighborhoods, where in 1896 the total valuation of personal property was only a few thousand dollars, the valuation for 1897 is several millions. The total assessment of personal property in this county is many times as large this year as it was last year. A great outcry has arisen against the assessors, and many rich men are leagued together to contest their action in the courts. The fact is that this agitation in Westchester county over assessments merely serves to illustrate our obsolete taxation methods. The pretense is that it involves an attack upon rich men, as such, is no less erroneous than the opposite pretense, that it reveals an evil disposition on the part of men of wealth to evade their fair share of public taxation."

Imperialism.

The broad foundations upon which the institutions of this great nation are built, and the principles under which it has progressed, with promise of still greater advancement, are being narrowed by an influential class for the sake of dollars and power. The Declaration of Independence and the Constitution of the United States, which stand in the way of those people's designs, are now to be considered old-fashioned, so that the wedge of selfish imperialism which is being inserted may be driven home.

Imperialism means, government and power are to emanate from one man and his favorites, without regard to the rights or wishes of the public. Republicanism means that the people shall have a voice in creating and moving the governing power to carry out the wishes of the public for their advancement. To put republican principles into practice in forming the government of the United States, the Declaration of Independence stated: "We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness; that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive of these ends, it is the right of the people to alter or abolish it and institute a new government." As the consent of the Porto Ricans, Cubans, and Filipinos to be governed by the President or the Government of the United States has not been obtained, the Filipinos are justified in resisting the power of the United States, according to the above declaration. This must either be conceded, or it must be admitted that the patriots who promulgated the principles stated above, and fought for them, were in error, and only wanted an excuse for claiming their independence of the British Government.

Two years ago President McKinley said: "Forceful annexation is criminal aggression; governments derive their powers from the consent of the governed, not of some of them, but of all of them." Now, after many months with 75,000 soldiers trying to forcibly annex and crush liberty out of the Filipinos, he says: "There must be no scuttling policy. There must be no turning aside, no wavering, no retreat." Therefore I ask, is such a turncoat as the President to be trusted?

HOW THE ROMANS LOST THEIR INDEPENDENCE.

The liberties secured to the people by the Roman republic were carefully guarded by the noble men who founded it. Its early history shows a virtuous simplicity amongst its rulers, who emulated one another in agricultural pur-

suits, while the matrons esteemed it their duty to see to the careful nurture and education of their children, rather than abandon them to mercenary nurses. But as the rich patricians and generals of the army increased their power, the rights of the people were decreased and republican principles endangered. This being perceived and dreaded, led to the assassination of Julius Caesar, because it was suspected that he designed the establishment of imperial power and the overthrow of the republic. The destruction, however, was accomplished by Augustus Caesar, who succeeded him. Augustus possessed sagacity and engaging manners, which fitted him to adroitly hide the stifling hand of steel in a velvet glove, so that the unsuspecting Romans hardly perceived that their liberties were going until they experienced the tyranny and executions during the next reign of the Emperor Tiberias. His successor, Caligula, pressed still heavier burdens upon the Romans, and taught them, in the bitter school of experience, that the liberties which they had allowed to slip away had gone forever. It is related that this Emperor ordered great numbers of old and infirm people to be "cast to the wild beasts, to free the State from such unserviceable citizens"; and he fed his wild beasts with the bodies of persons whom he condemned every tenth day, which he jocosely called "clearing his accounts." One day, on visiting the amphitheatre, he found there were no criminals to fight with the wild beasts, so ordered a number of the spectators to have their tongues cut out, so as not to disturb his inhuman diversions, and then to be thrown to the wild animals. This Emperor was followed by Claudius, who became the abject tool of his cruel and unchaste wife, who forfeited her life because of her enormities, and he, the Emperor, was poisoned to make room for that wretch of a man, the Emperor Nero, who began his reign as a just, liberal and humane ruler, of whom it is said that when a warrant for the execution of a criminal was brought to him, he exclaimed: "Would to heaven I had never learned to write!" But he soon degenerated, and ordered the execution of his mother, and falsely accused the Christians of setting fire to Rome, to shield himself. Many Christians he disguised in the skins of wild beasts and then caused them to be devoured by dogs; some were crucified, and others burnt alive. St. Paul was beheaded; St. Peter was crucified with his head downward. At length his cruelties became so great that the people revolted, and he perished by the dagger of a slave in the thirtieth year of his age.

The above are samples of the emperors, and experiences, of the people, which followed for one thousand years after the fall of the Roman Republic, and they present probably the most shocking and disgraceful narrative of unbecomely, wickedness, and crime contained in the annals of the world.

No doubt it will be said that these occurrences took place in the Dark Ages, and could not occur in our progressive times. It is to be hoped not, but recent published reports which seem to be authentic, records brutal cruelties committed by so-called civilized soldiers. I beg further to say, that the Augustan period, "The Golden Age," has always been considered the most

enlightened and progressive age for refinement in art, literature, and luxurious living. The rich vied with each other in magnificence. The luxury of their suppers far exceeded anything known in modern times; the number and costliness of their dishes seem incredible. Their entertainments were heightened by everything gratifying to their senses. Their baths of wine and costly spices were not stinted, and pleasure and amusement, it mattered not how cruel they were, became darling objects. It is estimated that \$1,690,000,000 had been gathered together through the "benevolent assimilation" of other nations and their treasures. Augustus said he "found Rome built of brick, and left it marble." Though the rich surrounded themselves with luxury and magnificence of all kinds, this did not make them noble and considerate of others or of the poor, but, instead, oppression was increased. No city before or since has ever had so much gold as Rome contained at that period; yet it did not satisfy them. The poor had to be further taxed. St. Luke says: "And it came to pass in those days, that there went out a decree from Caesar Augustus that all the world should be taxed." This new tax caused Joseph and Mary to go from Galilee to Bethlehem to be enrolled for taxing, which occasioned the birth of Jesus Christ at Bethlehem.

GREAT WEALTH, IMPERIALISM, MILITARISM, AND OPPRESSION/GO HAND-IN-HAND.—Avarice and aggrandisement are unsatisfiable in man, and imperial oppression usually follows when people become extremely wealthy. Human nature seems to be the same in all ages. Riches seem to have the natural tendency of narrowing the heart. King Solomon, who reigned a thousand years before Christ, had wisdom and religion, but as his riches increased his heart hardened, and after his death his subjects revolted because his son would not promise to lighten the heavy burdens imposed by Solomon. Lyscurus the Spartan, 884 years before Christ, promoted the remodelling of the constitution of his republic, because experience had proved to him that "luxury is the bane of society." The refined Greeks were no exception, because as opulence and grandeur increased in the Greek nation, the ardor of patriotism and enthusiasm for liberty declined, until the nation was swept away. Aristotle, the greatest conqueror of the world of thought, examined the political constitutions of many States, and arrived at the conclusion, "that only when the people obey their own laws can good government ensue." Our Declaration of Independence seems to be based upon this, and this principle he tried to instill into his pupil Alexander the Great. This Emperor when young showed sympathy combined with justice, but as his riches and power increased by his soldiers defeating the armies of other nations, his heart became hardened, causing him to indulge in cruelty and to believe himself a god. He became a pompous, cruel, drunken, imperialistic wretch, who showed no mercy even to his old friends and comrades in arms, whom he tortured and slew because they would not acknowledge his divinity.

When sympathizers desired the United States government to aid the Cubans to free themselves from the galling yoke of Spain, they had no idea

that it would lead this government to become oppressors. Change of masters is not what was desired by any of the people affected.

The Filipinos had been struggling against Spain for years, in order to obtain liberty, for which they yearned; and confidently thought it was in sight when they had destroyed the power of Spain in the Philippine Islands, and had shut up her soldiers in Manila. But lust after money and power by those in authority in the United States dashed their liberty and hopes away, upon the flimsy pretext that the Filipinos were not prepared to govern themselves.

ADMIRAL DEWEY'S AND OTHER OFFICIALS' OPINIONS OF FILIPINOS.

In a dispatch dated August 29, 1898, Admiral Dewey, writing about the Filipinos, said: "I have before expressed the opinion that these people are far superior in their intelligence, and more capable of self-government, than the natives of Cuba, and I am familiar with both races. Further intercourse with them has confirmed me in this opinion."

Brigadier-General Charles King, on his return from the Philippines in June, 1899, expressed himself still more strongly, as follows: "As an official of the army, there are many reasons why I could not give my views in detail. The capabilities of the Filipinos for self-government cannot be doubted. Such men as Arrellano, Aguinaldo, and many others whom I might name, are highly educated. Nine-tenths of the people can read and write, and all are skilled artisans in one way or another. They are industrious, frugal, temperate, and if given a fair start could look out for themselves infinitely better than most Americans imagine. In my opinion, they rank far higher than the Cubans, or the uneducated negroes in this country to whom we have given the right of suffrage."

Frederick H. Sawyer, the British Consul, and an eminent civil engineer, who spent fourteen years in the islands, says: "The Tagal possesses a good deal of self-respect, and, except on great provocation, is of quiet demeanor. He is fairly industrious, and sometimes is very hard working. He is prone to gambling, especially on his favorite gamecock. He rarely gives way to intemperance. The wife exerts great influence in the family, and the husband rarely completes any important business without her concurrence and approval. Children show great respect to both parents, and come morning and evening to kiss their hands. The houses of well-to-do natives are large and airy, and are kept scrupulously clean. Most of the British and other foreign steamers in the far East carry men from Manila as quartermasters. Their ability as mechanics is remarkable. They build excellent coasting vessels. In Manila and Cavite are to be found numbers of engine fitters, turners, smiths and boiler makers, as well as quarrymen, stone masons, carpenters, bricklayers and brickmakers. Excellent carriages are built in Manila, entirely by native labor, in numbers almost incredible. Painting and decorating is exe-

cuted by Manila men in excellent style, this art having been learned from Italian painters; and they are good agriculturists."

A correspondent in Leslie's Weekly says: "With half a chance the Tagal will make an industrious workman in other lines than merely agricultural. The Manila and Dagupan railway is practically operated by natives. In the shipyards at Cavite I have seen the natives building launches, repairing ships in dry dock, and operating in wood and iron, to the entire satisfaction of the American naval constructors and engineers. In Manila I have seen him building houses, erecting masonry, paving streets, making cigars and cigarettes, operating street car lines, working in iron, copper, brass and silver, and engaged in every department of industry. In the famous Manila Observatory I have seen him working over scientific instruments, computing delicate observations in meteorological, astronomical, and magnetic registration, where education and trained skill is required. I have seen him as a schoolmaster, as a parish priest, as a navigator, as a storekeeper, as a surveyor, as a ship owner. There is no department of life requiring labor, brains and skill, in which the native of the Philippines cannot compete successfully."

General Charles A. Whittier, the first American Collector of Customs at the port of Manila, in his statement before the American Peace Commissioners at Paris, paid a high tribute to the natives' skill in the trades, business occupations and professions. He said further: "As accountants they are excellent. Any information desired, say, the amount of imports and exports of last year, kind of article, whence obtained, and where going, duties, etc., was sought from them, and the reply was always given in writing, in a neat and satisfactory manner. All the cash from August 22d to October 21st was received by a native. It amounted to \$1,020,000, much of it in silver. All counterfeit and filled dollars were detected at once by his skill, and only one dollar was returned to us from the depository banks. The adjacent clerk, who kept the record of receipts, was most systematic and able. The Spaniards depended on the natives for the clerical work of the office almost entirely, and the same was true of the other departments." As a people they are cleanly, law-abiding, and very musical.

Is there not evidence enough in the foregoing remarks from reliable sources, that the Filipinos are intelligent and well able to make laws best suited to govern themselves? Objectors may remark, yes, but the Philippine Islands are peopled by different races, and we must govern them as India is governed by Great Britain.

In India, it should be remembered, reside different races, who have hostile religions, such as Buddhists, Brahmims, Mohammedans, etc., and history has proven that religious fanatics are as antagonistic to liberty and freedom as rampant imperialists; hence it is more excusable that a superior force dominate them and keep the peace, but not make their lives miserable by draining the country of the money and treasures which they possessed.

Different religions do not exist in the Philippine Islands, with the excep-

tion of the Mohammedan Sulu group. The only religion, except natural, which exists among them is Roman Catholicism.

An English officer, let it be said to his discredit, recommended to the American officers to try to sow discord amongst the tribes and get them to fight each other, and, though tried, it did not succeed. General Otis found that he dare not arm any tribe, lest the guns and ammunition should be used against the Americans.

The Filipinos as a whole seem a unit in demanding their liberty. Every tribe opposes the Americans, except the Mohammedan Sulus, who have been bought off. John F. Bass, in Harper's Weekly of June 12, 1899, wrote: "In every part of the island where our ships have gone, they found only hostile natives, who acknowledged no allegiance save to the insurgent government. The sooner the United States find out that the people of the Philippines do not wish to be governed by us, the better they will be fitted to cope with the great problems out here."

H. I. Hancock, the Manila correspondent of the Criterion, stated that Major-General MacArthur said: "When I first started in against these rebels I believed that Aguinaldo's troops represented only a faction. I did not like to believe that the whole native population of Luzon was opposed to us, and our offers of aid and good government; but I have been reluctantly compelled to believe that the Filipino masses are loyal to Aguinaldo and the government which he heads. It is beyond any question that these Amigos or friendly natives know much about the movements and plans of the insurgents. They could tell me where the insurgents could be found in greater force, where Aguinaldo gets his food supplies, and the number of the enemy at various points. Do you think they are doing it? Neither by threats, promises, offers of reward nor assurance of safety can I persuade one of these Amigos to talk against the insurgent cause. No art that we are masters of will get any information from them. At first I attributed this reticence to fear of Aguinaldo's vengeance, but it cannot be that, for the most stupid of these natives within our lines must now realize that Aguinaldo can never hope to take Manila."

Is there not in the foregoing positive proof of unity, loyalty and determination to effect their liberty, and freedom from oppression which "carpet-baggers" and others would impose upon them, samples of which have already appeared in the Cuban post-office and other frauds?

AGUINALDO AND THE FILIPINOS OUR ALLIES.

As the Spanish government would not listen to the demands of the Filipinos for reforms, an insurrection broke out which they could not suppress with force of arms; hence they got Paterno, a wealthy native of Manila, to negotiate a peace, which General Francis V. Green summarized in an official report to the American government in September, 1898, as follows:

"It required that Aguinaldo and other insurgent leaders should leave the country, the government agreeing to pay them \$800,000 in silver, and promising to introduce numerous reforms, including representation in the Spanish Cortes, freedom of the press, amnesty for all insurgents, and the expulsion or secularization of the monastic orders. Aguinaldo and his associates went to Hongkong and Singapore. A portion of the money, \$400,000, was deposited in a Hongkong bank, and a lawsuit shortly arose between Aguinaldo and one of his subordinate chiefs named Artacho, which is interesting on account of the very honorable position taken by Aguinaldo. Artacho sued for a division of the money amongst the insurgents according to rank. Aguinaldo claimed it was a trust fund, and was to remain on deposit until it was seen whether the Spaniards would carry out their promised reforms, and if they failed to do so it was to be used to defray the expenses of a new insurrection. The suit was settled out of court by paying Artacho \$5,000. No steps were taken by the Spaniards to introduce the reforms. More than two thousand insurgents who had been deported to Fernandopo and other places were still kept in confinement, so Aguinaldo is now using the money to carry on the operations of another insurrection."

General Green further says: "On the twenty-fourth of April Aguinaldo met the United States Consul and others at Singapore, and offered to begin a new insurrection in conjunction with the operations of the United States navy at Manila. This was telegraphed to Commodore Dewey at Hongkong, and by his consent, or at his request, Aguinaldo left Singapore for Hongkong on April 26th, and when the dispatch boat "Hugh McCulloch" returned to Hongkong early in May to carry the news of Commodore Dewey's victory, it took Aguinaldo and seventeen other revolutionary chiefs on board and brought them to Manila Bay. They landed at Cavite, and Admiral Dewey allowed them to take such guns, ammunition, and stores as he did not require for himself."

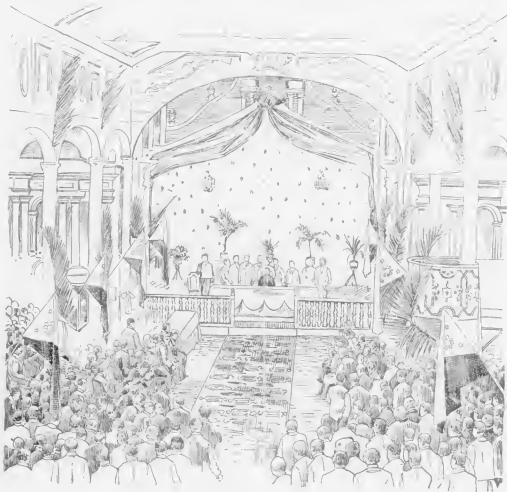
The army then organized, defeated the Spaniards everywhere, drove their soldiers into Manila and surrounded the city until the American troops advanced to take it on August 13, 1898. Now, it is probable that there was no treaty or written stipulation between Aguinaldo and Admiral Dewey in regard to the future, but the above circumstances prove that they were our allies and associated with the Americans in defeating the Spaniards, and they had a right to expect very different treatment from that which has been meted out to them by the Americans.

THE FILIPINO GOVERNMENT.

On June 23, 1898, a proclamation was issued by the Filipino government, six weeks prior to the taking of Manila by the American forces. It was as follows:

"There has been established a revolutionary government, under wise and

just laws, suited to the abnormal circumstances through which the country is passing, and which in proper time will prepare for a true republic; thus taking as a sole model for its acts, reason; for its sole end, justice; for its sole means, honorable labor. It calls all Filipinos its sons, without distinction of class, and invites them to unite firmly with the object of forming a noble society, not based upon blood or pompous titles, but upon the work and



"Opening the Filipino Congress at Malolos, September 15, 1898."
Aguinaldo occupies the chair behind the table.

personal merit of each one—a free society, wherein exists neither egotism nor personal politics, which annihilate and crush; neither envy nor favoritism, which debase; neither fanfaronade nor charlatanism, which are ridiculous."

On September 15, 1898, was opened the first Filipino Congress at Malolos,

which sat in a gorgeous room which had formerly been a church. This room was decorated with flags and palms. It has since been burned.

After Malolos was taken by the Americans, the capital was removed to other places, which were in turn captured; but the opposition to the Americans had not ceased. Though 75,000 American soldiers have overcome all large opposing forces, they cannot succeed in crushing the Filipinos' aspirations for liberty, and make them loyal to the United States.

Corroborating other testimony as to the ability of the Filipinos to govern themselves, General Joseph Wheeler, in March, 1900, upon his return from the Philippines, where he had been to aid in their oppression, said: "I believe the people are ready for a certain kind of self-government. They could be given the power to make laws under such a system of government as has been adopted to our territories. The municipal governments are in the hands of the natives, and they get along without trouble or friction."

Such being the case, why does not the government try a more humane and rational mode of procedure, as further trying to force the Filipinos to be loyal will cause the large expenditure of blood and treasure to be enormously increased; besides leaving a vast legacy of pensions to be paid by our children and their descendants, as it will be found that loyalty does not grow on force trees, and "if people will not listen to reason, she will certainly rap their knuckles." After a conference with Aguinaldo and leaders of various Filipino tribes, Congress should pass a law creating a republican union of the Philippine Islands, under their own government and under the protection of the United States for the present. Then they would be our friends and customers, and have a government similar to Canada, the people of which country govern and tax themselves, paying nothing to Great Britain, and have no other official sent out by Great Britain but the Governor-General, who has little power. This liberal treatment accounts for their loyalty to Great Britain, and if we adopt the above suggestions, it will cause the Filipinos to become our friends and customers.

DRUNKENNESS AN OBJECT LESSON TO FILIPINOS.

President Schurman, of the Philippine Commission, after his return from Manila, said: "I regret that Americans have been allowed to establish saloons in the Philippines, for the Filipinos are a temperate people, and the sight of an intoxicated American disgusts them. Nothing has done so much damage to the American people as this."

Captain Frank M. Wells, Chaplain of the First Regiment of Tennessee volunteers, a strong administration man, says: "When the American troops entered Manila there were only three saloons in the city, and in each only soft drinks were sold; now there are four hundred, selling whiskey, and the drunkenness appears to be as bad as of ashore. While on board one of the transports to Cebu I tried to have it stopped, but failed. I took special care of the men of my regiment, with the determination that if I could not



"The American Flag Spattered with Oppression and Stained with Drunkenness."

save their souls I would at least get them to hell sober. I never saw so much liquor on a Mississippi steamboat—and I have travelled on a good many—as I saw on the transport 'Sheridan' the last three days we were in Cebu."

Mr. H. Irving Hancock, Leslie's Weekly correspondent, says: "Of all the problems that confront us in the reconstruction of the Philippines, the gravest and wickedest is one of our own importation. The Manila saloons, taken collectively, are the worst possible kind of blot on Uncle Sam's fair name. The city's air reeks with the odors of the worst of English liquors, and all this has come to pass since the 13th of August, 1898. Gamblers and depraved women, in both cases the very dregs of this and other countries, have followed the work hand-in-hand with their natural ally. These people are fast teaching the natives the depths of Caucasian wickedness, and the natives imagine it is Americanism. So far as my observation went, I found that the military authorities of Manila were not on record as having done anything to abate this crying disgrace."

The Springfield Republican, writing upon the same subject, says: "The traffic could have been forbidden at the outset by one man (President McKinley). It could be forbidden to-day by one man, because the whole archipelago is under martial law."

The St. Paul Pioneer Press says: "Shall it be said that the total abstinence and orderly conduct that Kitchener enforced in his brilliant Soudanese campaigns are impossible of attainment amongst American troops? Not a drop of liquor was allowed to accompany Kitchener's expedition when he was leading the British to success."

EXPORTS.—In response to demands, the Treasury Bureau of Statistics has issued a statement showing the value of articles sent to the Philippine Islands the last ten months, ending April, 1900. The total, excluding animals, oats, hay, and liquors, was \$1,200,671. The amount for beer and spirits was \$467,198. Only two and a half times more for the hundreds of other articles than for strong drink. Liquors from other countries are not included in this statement.

The New York Herald published, July 8, 1900, a report from Ernest E. Wheelock, former private secretary to General Merritt, and former secretary of Manila Chamber of Commerce, who has just returned home from the Philippines. He says: "Our rule in those islands has been a maladministration, and is so recognized by all European residents of Manila. After two years of attempted rule the two people still misunderstand each other. The little brown men who received the armies of the United States with childish glee in 1898, now depise with an awful hatred the Americans and everything pertaining to them. President McKinley's proclamation to the people of the islands promising everything and fulfilling nothing, was to a people long accustomed to broken promises, most bitterly received, and served to widen the breach that became a battlefield in February, 1899. Upon my return to America I have been everywhere greeted with the exclamation: 'I suppose the war is now

over!' Nothing can be further from the truth. Manila is still under martial law, and the general opinion is that it is more unsafe in the interior of Luzon than ever before for Americans."

The Philadelphia Ledger, July 27, 1900, said, editorially: "A more emphatic protest could scarcely be conceived than that made by the people of San Juan, Porto Rico, as reported in the Ledger yesterday. This is the community that welcomed the Americans two years ago with open arms, and expressed its desire to be forever rid of Spain and given the benefit of American government. Now, two years after, when the great Spanish feast day comes around, the streets are ablaze with Spanish decorations, the American flag is scarcely seen, and the populace shout 'Viva Espana!' This is the result of the policy adopted toward Porto Rico last winter by Congress with the permission of the President. It is not a hopeful beginning for our colonial policy." It says further: "The looting of the Cuban post-office is remarkable in that thieving began almost as soon as the American officials reached Havana, and that it was carried on by the connivance, apparently, of half a dozen men, some of them high in office." Could any other results be expected of Republican office-holders and carpet-baggers?

I am aware that imperialists will oppose a settlement of the problem, as they are in favor of taking all in sight, right or wrong. Dollars and power are what they desire to seize. Are they hypocrites rejoicing on the Fourth of July, the anniversary of the signing of the Declaration of Independence, which gave them the liberty which they now refuse to others, and instead, desire to oppress the Cubans, Porto Ricans and Filipinos? The tax of fifteen per cent, passed by Congress to be imposed upon the loyal, poor, starving Porto Ricans is but the thin end of the wedge of imperialism, as it is taxation without representation. This wedge if not knocked out by voters this year putting into office brave, honest men like William Jennings Bryan, the Declaration of Independence will be shivered, and the wedge of imperialism will be driven up and cleave asunder the Constitution of the Republic of the United States, and commit this people to despotic militarism.

DOES TRADE FOLLOW THE FLAG?

It is always possible to make plausible excuses for wrong doing. Some of these people falsely say that it is necessary to enlarge our territory, so that our exports may increase, as they say "the trade follows the flag." History does not corroborate this, as could easily be proved if space permitted. I will merely say, merchants buy of those who sell cheapest and offer the greatest advantages to them. A few recent figures prove this. The exports in February, 1900, showed an increase of \$25,552,751 for the month; but of this only \$202,695 stood to the credit of Cuba, Porto Rico, and the Philippines combined. The exports of March, 1900, are still more damaging to the theory that "trade follows the flag." March exports were \$134,301,829, an increase over March,

1899, of \$29,742,140, and out of this large sum only \$157,002 was sent to the territories brought under the flag by McKinley's advanced, vigorous and paternal policy. Even this comparatively small amount is only the result of the exports in consequence of the American soldiers being there and their needs. The above figures show that the bulk of our exports go where the government is not represented by our flag. If the cost of the "benevolent assimilation" is considered, the net loss to the United States is hundreds of millions of dollars, through the cost of the war and the loss of exports and imports.

Imperialism has grown very rapidly lately. Congress has delegated its powers to the President as it never did before. Cuba, instead of having a government of its own, as was promised, or being ruled by laws made by Congress, is entirely at the will of the President. So it is with Porto Rico, the Philippine Islands and other possessions. Congress placed fifty millions of dollars at the disposal of President McKinley, and no account of it has yet been given. There has been corruption in Eagan's, Alger's, and other departments, and several whitewashing commissions have been appointed, besides two commissions to the Philippines with extraordinary powers have been sent out without a shadow of authority from Congress. The President has assumed to make rules and regulations without authority and without money being appropriated by Congress. The colonies which have been established under the American flag are without the assent of the American people, and in defiance of the Constitution. Conservatism is disappearing, and the present Republican party is endeavoring to commit this heretofore liberty-loving nation to a career of adventure, which will end in militarism, misery, oppression, and ruin. The luxurious "Sumner" yacht has been fitted up at a cost of \$750,000 without an appropriation, and it was elicited by a resolution of Congress that the "Hancock" has had expended on it \$543,576, the "Grant" \$328,459, the "Logan" \$483,839, the "Sheridan" \$239,169, the "Sherman" \$526,964, the "Thomas" \$335,365, the "Meade" \$374,000; not one dollar of which was passed by Congress, and it is not known under what conditions these expenditures were made. And now Congress has delegated its powers to Secretary Long, and authorized him to pay any exorbitant price he likes for armor plates, to buy as much as he pleases from makers who have combined against the government, and demand three times the cost. There never was a time in the history of the government when imperial authority was so much in force, or when the door of the Treasury was so wide open to the administration. Of course there can only be a disastrous end to such recklessness on the part of Congress and the President. Militarism is flourishing. The fruit is ripening quickly, and if the present election does not send to Congress and put into power more honest men, the end will come quickly.

Let us, then, as liberty-loving people, vote to PUT OUT OF POWER the Republican party, who have changed and become cruel, costly imperialists, who oppress others and have disgraced the flag of the Republic, which used to be the symbol of liberty.

Sound Business versus Trusts.

The above heading suggests the question, what is business? Webster says it is "any occupation engaged in for a livelihood." The Bible explains that after disobedience had driven our first parents from Paradise, our Creator decreed and made conditions, that man through labor should eat and earn livelihood; and He constituted men so diverse that no two are alike, either physically, mentally or ambitiously. The advantage of this to man is, that we make work for one another, thereby creating healthy occupations. By our various and diverse likes, a multitude of activities are set in motion,



"No employees wanted—the Result of Trusts."

through which suitable employment can be found, and which, but for the intense selfishness of man, would yield remuneration and happy external conditions for all. These beneficent circumstances greedy men have, and are trying to change, by curtailing business through lessening the amount of money to do the business of the world with, by stopping many independent wheels of business, and by consolidating enterprises in immense establishments, through which means many master minds are subjugated, employment limited, and numerous young men debarred from higher occupations than clerkship or servitude, if even openings can be found in them.

Individuality constitutes the true source of national vigor, which great trusts destroy by making all minds and energies bend to a few master minds. This, if persevered in, will cause national decay, as experience proves that too much guidance and government destroys stimulus and enfeebles men, tending to render them comparatively helpless. Nations progress as individuals develop energy, industry and upright actions, and national decay is the result of the prevalence of individual selfishness, idleness and viciousness. Therefore, it is the highest patriotism to stimulate men to independent action in elevating and improving themselves. It is impossible to make first class goods from bad material; so is it with nations. If most of the component parts of the nation are made weakly dependent people, the nation will degenerate, become enfeebled, and be ruled by tyrants. Noble people will be ruled nobly, but people who are deprived of nerve force and courage by relying on others, will soon be enslaved by despots. The immense trusts which are formed, then, merit the condemnation of men, for endeavoring to frustrate the design of God, of our helping one another.

Goldsmith truly wrote:

"Ill fares the land to hastening ills a prey,
Where wealth accumulates and men decay.
Princes and lords may flourish or may fall;
A breath can make them as a breath has made.
But a bold peasantry, their country's pride,
When once destroyed can never be supplied."

If the great mass of individual Americans are deprived of nerve force and integrity, and made weak and dependent upon the few,

Then their country's pride will be destroyed,
Which never again may be supplied.

Trusts are condemned by all political parties, but the Republican party does not appear sincere, as it has not put into motion the legislation already enacted to curb trusts, and it is not likely to do so. The trusts and capitalists supply immense sums of money to influence voters to place the Republican party in power, and it is not reasonable to expect them to do anything to block the paths which lead to a realization of the greed of trusts. This party may make a bluff and pretend to do something, but that will only be to deceive and lure support from the unthinking.

Originators of trusts admit that they are formed to curtail expenses by dispensing with various grades of labor; likewise to enhance the price of the commodities, so that capitalists can grind more out of the people. Many interested persons have contended that trusts were a blessing to the poor, in cheapening goods, and have cited OIL AND SUGAR as being cheapened by

trusts. Mr. Byron W. Holt, in an interesting article in the Review of Reviews for June, 1899, shows clearly by figures that but for the Standard Oil Company, petroleum, which was discovered in 1839, would not only have been sold cheaper than it has ruled, but a large number of bankruptcies would have been avoided. Many of these failures, it says, were occasioned by the company, of which John D. Rockefeller was president, using repressive measures, one of which was forcing an agreement with railroads to charge its competitors double the freight rates charged his company, and to pay into the treasury of the oil company the excess of freight collected of the independent refiners. This agreement, he says, went into effect February 26, 1872, and it and other acts resulted in paralyzing all businesses in the oil region to such an extent that Congress had to make an investigation. Various other methods robbed a multitude of a livelihood and raised the price of oil, because of the greed of a few who determined to have enormous wealth. The Standard Oil Company, this bloated trust, is to-day hindering thousands of merchants from obtaining a profit out of oil, by their wagons peddling oil about the streets. Surely this is not "living and let live." The last great advance in oil and all its products was made, not in the interest of the poor, but to increase the income of the Standard Oil Company, whose dividend profits amounted to \$33,000,000 in 1899, and it is published that they have already this year declared two quarterly dividends, amounting to \$30,000,000. Yet with this immense income, is witnessed, in the month of May, 1900, their employees striking to obtain a fair remuneration for their labor.

Mr. Holt, in the same article, quotes tables of figures about sugar, and says: "It is, then, certain that the trust has not given us cheaper sugar, nor even as cheap sugar as we would have had without it. It is, in fact, almost certain that our sugar bill has averaged at least \$10,000,000, and perhaps \$20,000,000 a year more, because of the trusts."

Curtailed expenses by trusts means that they will dispense with help in various departments. Many clerks can be done without, salesmen can be discharged, travelling and hotel charges avoided, printers' bills, advertising costs, and a variety of other amounts saved, which means a loss of income for a livelihood, to a multitude of persons. Two tobacco firms admitted at a trial in New York that through the formation of their trust, \$750,000 a year was saved in advertising alone. It was acknowledged that they could well afford the expenditure, as both firms had become rich out of the business, and were yearly saving large sums of money; but their lessened advertisements was a serious loss to numerous families directly affected, and they in turn caused a diminished trade to others.

It is estimated that incorporated trusts capitalized at \$8,000,000,000 never had \$3,000,000,000 expended upon them, the difference being made up by watered stocks and bonds, which are divided amongst rich people who have generally far more money than they can get any enjoyment out of. The interest on these bloated securities has to be paid by the public, while the

public's opportunities to earn are much restricted by the combinations. Big trusts, in addition, extinguish many small industries which they do not take in, and they hinder others from operating by closing the sources of supply of raw material, and obstructing the distribution of their products, instances of which could be given if space permitted. Trusts are cruel in the methods employed, and are but a revival of the old feudal system, which made persons dependent on a king, lord or so-called superior.

TRUSTS AND IMMENSE ESTABLISHMENTS SHOULD BE CURBED.

Monopolies deprive the masses of employment and take away their rightful opportunities; they fasten a perpetual wage servitude upon working men, and put into a few men's hands the control of prices and production. Therefore, as very large combinations are against the general good, they should be dealt with so as to keep them within bounds, and allow weaker competitors, who have a right to a living, to exist. No persons with ordinary ability should be allowed by law to be driven out of business by sharp, unscrupulous people. Probably one of the best ways to accomplish this is by imposing a graduated income tax, which would not stop enterprise, but it would say to the avaricious that they shall pay extra to a beneficent civilization because of their rapacious greediness. This has been explained under the heading, "Graduated Income Taxes."

Hon. W. J. Bryan, in The North American Review, says:

"A monopoly is not hurtful TO THOSE WHO OPERATE IT, and, if they can control the government, they will be sure to decide that it is not hurtful to any one.

"The recent action of the barbed wire trust illustrates several phases of this question. It shows that a monopoly CAN raise prices when it desires to do so; and it also shows that a monopoly WILL raise prices when it can. It shows how an artificial rise in price will lessen consumption, and thus decrease the demand for labor; it shows how a monopoly can shut down factories to work off the stock, throwing upon the laborer the burden of maintaining prices (in this case twelve factories were shut down and six thousand two hundred men thrown out of employment); it shows how even the stockholders may be victimized if the manager desires to speculate in stock; and it further shows how those in charge of a great monopoly may, in the future, bring great wealth to political friends by disclosing intended raids on the stock market, and thus earn legislative favors. The ordinary forms of bribery sink into insignificance when compared with this new and more dangerous method. That this is no idle fear is evident from the testimony taken by the Senate committee which investigated official speculation in sugar stock. That monopolies contribute to campaign funds is also shown by the testimony taken by another Senate committee. A few great monopolies could without loss to

themselves make on the stock market enough to supply a campaign fund as enormous as that used by the Republican party in 1896."

Mr. J. R. Keane, the great Wall street financier, was interviewed in London by a reporter of the New York Herald, and published July 24, 1900. He said: "The majority of American railroads have been robbed to death by people in connection with them. Only in abnormal times can American railroads be made to pay. It is one constant struggle, and only achieved by the very best management in the reduction of working expenses, and so on, which enables the payment of dividends. The whole thing lies in this. There is not a railroad in America, except in one or two instances, which has not been over-capitalized by mismanagement or by the fraudulent practices of those connected with it, and placed with the public at forty per cent. over its value. If you will look about you, you will notice that the majority of railroad people who account for all the large fortunes of the United States have been intimately connected with the operation of this excess of capitalization, placing the profits to their credit."

In regard to the increase of trusts, Mr. Keane said: "In America to-day we may say two hundred men control the manufacturing and prominent businesses of the country. The great question to-day has come to be that of monopoly. No independent man can go into business without the monopolists coming down and crushing him out. In this way it has come to be that he has a much better chance in England, where monopoly tyranny does not exist, or at all events is not so strong. With a few men thus in control, they can fix wages, and they can make it so that money is either easy or tight, as they choose. If any other man tries to compete with them, he is simply crushed; there is no more independent men except the farmers. There never has been anything like the trusts in the world since the days of the South Sea scheme; every one is in it—promoters, bankers, brokers; all people hold them. The directors have pocketed the surplus, and thousands of millions in securities have been added to the general volume during the last few years. Six hundred millions dollars have been made in the last three years, but not three hundred millions of fresh money have been placed in circulation. How are you going to do it? How can business be conducted with all these floating securities? All nations to-day demand gold. Five thousand millions of silver for business purposes have been withdrawn. If that money could be restored, just look how you could coal up. Look at the consequent depression in India, and of silver in the United States. Ten billion dollars of property is added every year in the United States, England, and France, yet the supply of gold is only increased \$300,000,000. When you come to think of the increase of property ten to fifteen hundred millions amongst the people, I ask, where does the money come from to buy such property? Where is the money when silver is stricken out of its real value and its equality with gold is destroyed?"

"Are you, then, in favor of bi-metallism?" was asked, and he replied:

"Bi-metallism is just as much a tenet of faith with Republicans as with

Democrats. The only thing is, Republicans evade the issue, the Democrats do not. The Republicans join in the nonsensical cry of dishonesty."

There is vast deal of truth and hard common sense in Mr. Keane's remarks. How seldom will millionaires like him speak out the truth as he has done.

The Baneful Republican Party.

It has been frequently stated that the Republican party always causes prosperous times when they are in power. The above statement appears to be so absolutely false that it is best to look into the subject. The Republican party had long been in undisputed control of all departments when the great panic of 1873 took place. This resulted in factories in all parts of the country closing, throwing out of employment men of all occupations; 3,000,000 willing workers were idle, causing poverty; misery and crime largely increased, and prices of all kinds of commodities were reduced enormously. Banks and business men failed all over the country; property of all descriptions declined in price, much of it to one-fourth or less of its former value. Instead of boastful prosperity, most distressing times continued for six years, and until silver dollars began to be coined again through the act of 1878. Then business began to revive, and continued to improve for eight years. In consequence of this silver coinage act, silver dollars, or their equivalent, were yearly circulated until the amount in 1886 was \$218,000,000. This gave such confidence that Europe sent to this country during this period about \$200,000,000 in gold. This increase of money improved all branches of business, resulting in labor finding employment, and real estate enhancing in value.

In 1889 President Harrison was inaugurated, which did not tend to prosperity, for money contracted. National bank notes were called in and cancelled up to September, 1891, amounting to \$189,004,040, and in addition gold was exported largely. This contraction of money during the Republican administration was having a very serious influence upon business, which was becoming bad. Money was so scarce that on November 11, 1891, the New York clearing house authorized the issue of certificates in lieu of money, and the next day \$16,645,000 of this illegal money was issued. Business matters grew gradually worse, and bankruptcies increased. In 1889 they were 10,882; in 1890, 10,907; in 1891, 12,273; in 1892, 11,952, an average of 11,503, compared to an average of only 561 a few years before, when money was plentiful. From 1890 to 1893 there was \$163,912,076 in gold exported. Want of confidence existed, and property everywhere declined enormously, as many remember to their sorrow. The public, being thoroughly sick of Harrison's administration, elected Grover Cleveland a second time, hoping he would stop the impending panic, but in this the people were disappointed, as they jumped out of the frying pan into the fire.

The Republicans told us that as soon as McKinley was elected factories would open, and prosperity return, but the public were deceived in this. Many months after McKinley was inaugurated, business remained stagnant.

Bradstreet reported 15,008 failures in 1897 for the United States and Canada; 13,085 in 1898, and 10,948 in 1899. We are thankful to report that business did improve in 1898, which was not due to the Republican party, but was the result of a combination of causes. The harvests of this country in 1898 were very good, while crops in most other countries were bad. This created a great demand for breadstuff, causing our railroads and transportation companies plenty of business, leading them to expend money on engines, cars, railroad tracks, etc. It brought a large sum of money to this country in payment for exported food. Much of it found its way to the agriculturists of the West and Northwest to pay for their products. This was again expended in mowers, binders, vehicles, and goods of all kinds.

In 1898 war was declared against Spain. This caused the government to expend and distribute enormous sums of money in many ways. They purchased warships, dispatch boats, yachts, and transportation vessels, besides ordering a large number to be built. After the sale by firms and persons of their vessels at big prices to the government, these persons had to order others to be built, which caused all shipyards to be exceedingly busy, and they in turn required enormous quantities of iron. The government bought guns of all kinds, ammunition and equipments for the soldiers and sailors. All kinds of food, medicines, and innumerable articles were likewise purchased. Railroads and transportation companies were employed, which required much labor, and as a consequence much money was distributed.

About this period the great iron works in England, which had been closed for many months through a strike of iron workers, came to an end. The stoppage of these works for so long a period made orders to them so large and urgent, that when they did open the demands upon them could not be executed. This induced English railroads to send orders to this country for locomotives and other structures. In addition to this, the large trusts were forming. These combination of circumstances revealed to wholesale dealers that prices generally were bound to advance, hence they ordered very largely of all manufactured goods far in excess of their needs. These united occurrences put much money in circulation, and all resulted in general prosperity, which beneficial condition had the prospect of continuing for a long time, and to all appearances would have continued, but it is well known in business circles that enlarged business requires enlarged capital, and though the money was increased, it was not large enough. Even those firms that were in the best of credit were told by bankers all over the country last fall (1899) that they must do with as little money as they could, as money was exceedingly scarce and dear. This stringency in money finally resulted in the money panic in December, when money ranged from 125 to 175 per cent. Then it was that business began to decline, and it has been getting worse ever since.

THE REPUBLICAN PARTY'S INFLUENCE HAS BECOME BANEFUL.

A father who, through his wealth, selfishness or pride, causes his grown sons to continue to lean upon him, like a vine which needs support to cling to, de-

prives his sons of incentives to develop their talents, capacities and manhood, and inflicts upon these weaklings incalculable injury. So it is with a government that robs the people of stimulus.

After the Romans subjugated England, the brave Britons were made to depend upon and look to the Romans for defence; hence, when circumstances caused the Roman soldiers to withdraw from England, the British were left a helpless nation, through the reliance they had placed on their conquerors, and they were for some time easily overcome by comparatively weak forces. The courageous Indian tribes, instead of being taught industrious, self-reliant habits, are wrongfully transformed into a feeble, worthless people by the coddling government, which provides for their idleness.

The Republican party has done more to enfeeble the people of the United States in the last few years than any other party that has existed since this has been a nation. This baneful party has greatly multiplied offices, and has taught large numbers of persons to ignore robust manliness, and trust to the government for help and support. This has not conduced to efficiency, as leading Republicans have lately admitted in Congress that the government departments are clogged with incompetent clerks, who hinder business, and more are clamoring for positions.

The excessively high tariff has fostered trusts and deprived manufacturers of self-reliance, which, instead of conducing to a determination to surmount the weak opposition, look to the government for protection.

The worthy pension office is transformed into a pauperizing institution. The Washington Post recently said, editorially: "The act of 1890, under which the pension roll gained its tremendous aggregate, is the most injudicious and inequitable piece of legislation of its kind ever put on our statute books. Congress passed it in opposition to conservative sentiment, and in face of the admonition of many of the best friends of the soldiers." The result is, that the cost of pensions in the United States is \$90,523,000, more than the combined pension rolls of Germany, France and England together. The teachings of this party has caused 30,000 persons already to apply for pensions since the war with Spain commenced, and it seems impossible to say when the number will stop increasing; and no proportion can be guessed at, as we have no knowledge what the complications in China will lead to.

The national banks, instead of being content to fulfill their useful mission, depend upon the government for pap, and, in place of being satisfied with doing a banking business, the same as State banks are now doing, they have been constantly intriguing to do the government business of issuing notes. Bond-holding millionaires are transformed into scheming rascals, which is explained. Trusts are fostered and made strong, which debar multitudes of young men the chance of success, which is their right. Ship-builders are made to fear foreign shipyards, and require to be fostered and shielded. Ship-owners are suppliants, asking increased subsidies for the favored few. Rich men are screened from paying their fair share of taxation. War taxes are

continued, filling the Treasury to overflowing, leading to corruption, which seems to pervade the party. The appropriations made by the Congress just closed are fifty millions greater than during the war with Spain or during any previous year. In addition, appropriations are left over until after the election of one hundred and forty millions, which Congress expects to appropriate in December.

Probably the most baneful of all is the destruction of principle amongst the people generally. Corruption seems to exist in all departments of the government, which, instead of being eradicated, is covered up. The corrupting funds used in the 1896 election were enormous, but the cases are too many to enumerate, but if they were mentioned, they would have very little effect, as people have become callous. Most persons seem bent upon getting dollars, it matters not how. It is useless for church members and Pharisees to hold up their hands in horror, for the contamination has taken possession of many of them. Money is the most desirable thing which they are determined to have; hence we find schemers abound. Franchises are sought after, and if valuable concessions can be obtained through corruption, that is no obstacle. Watered stocks and bonds, which respectable men a short while ago condemned, are now eagerly snapped at by these former censors. In all our large cities it is well known that corruption exists in all departments of city government, but it should be remembered that these depraved officials have been made so by these so-called respectable moneyed classes, who have caused bribes to be offered them by promoters for voting valuable franchises to organized companies. The virus has been inserted and has spread almost universally. This inordinate greed of gain will result in an abundant harvest of depravity, which is fast coming on the nation, and those people who have sown the seed will reap the result to their sorrow.

We are fast following in the footsteps of Rome, when her rulers graspingly seized imperial power, and trampled down the republic. Proude, the historian, described them in the following language: "To make money, money by any means, lawful or unlawful, became the universal passion. Money! The cry was still money! Money the one thought from the highest senator to the poorest wretch who sold his vote in the comitia." Could not the above words describing Rome be truthfully written about the United States of to-day? and if we continue the rapid rate of the last ten years, our boasted privileges will be gone. The Republican party, which started as a liberty-loving party, has completely changed, and is now a Plutocrat party. Their supreme power is now lodged in the hands of the wealthy classes. All the late acts of this party are on the side of greed and despotism. On the other hand, Democracy is fighting for liberty and equity, and it is between these two parties that people will have to array themselves. Men become insignificant in comparison to these two leading principles. Which shall win? Shall the chaos of Republicanism, or the freedom of Democracy?

There is hope for the nation yet, if the great army of voters determine to

drive from power the baneful Republican party, through whose debasing influence these injurious manifestations of evil have spread with such rapidity. They must vote to put into office honest, capable men, such as William Jennings Bryan appears to be, and each person determine themselves to avoid dishonorable principles and influence others to more honorable actions.

We ought to know assuredly from present and past history that there is no escape from the laws of God summed up in the word "love," which laws will be vindicated. We are told to love God for His innumerable daily blessings bestowed upon us by so kind a father; and secondly, to love His creatures, our neighbors. We further know that yearning after imperialistic power to subject weaker nations, so that our greed for dollars can be somewhat appeased, is not the love commanded by Christ. People tell us that China and the East is being opened up by the sword for the preaching of the Gospel, but the millions of the East will not be improved by our gospel of greed, oppression, carpet-bagism, absorbing their property, and determination to take away their liberty, which is their birthright.

"Momentous Issues" was written before the Democratic Convention took place at Kansas City; before it is printed Bryan and Stevenson are nominated upon a splendid platform, and I believe the voters will elect them.

T. W. WOOD.

Richmond, Va., August 1, 1900.



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TITLE